

October 25, 2024

The Secretary
National Stock Exchange of India Limited
Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Mparg,
Lower Parel,
Mumbai 400 013

The Secretary
BSE Ltd.
1st Floor, P.J. Towers
Dalal Street, Fort,
Mumbai 400 001

Dear Sir,

Sub.: Investor Presentation for the quarter ended September 30, 2024.

We enclose the investor presentation for the quarter ended 30th September 2024.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Cholamandalam Investment and Finance Company Limited

P. Sujatha
Company Secretary

Encl.: As above



EMPOWERING ASPIRATIONS ENABLING AMBITIONS

Cholamandalam Investment and Finance Company Limited
CORPORATE PRESENTATION - September 2024



1. Group overview



2. Corporate overview



3. Financial performance



4. Business segments' overview



5. Funding profile



6. Subsidiaries performance



7. Environmental Social Governance



8. Risk Management



9. Information Technology

Murugappa Group Overview



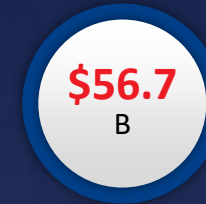
Murugappa Group in a Nutshell



Years of
Existence



Consolidated
Turnover
(FY24)



Group Market
cap (as on 30th
Sep 2024)



Sectors



Businesses



Listed
Companies



Geographical
Presence











Manufacturing
Locations



Work force



	Agriculture	Engineering	Financial services
Market Cap(Cr.)	64,524	2,28,632	1,73,586
Turnover (Cr.)	51,471	19,533	26,196
PAT(Cr.)	3,260	2,200	3,923

								
Market Cap(Cr.)	49,303	15,221	28,485	84,135	1,16,012	1,35,216	NA	38,370
Turnover (Cr.)	22,058	29,413	4,628	7,144	7761	19,140	6970	86
PAT(Cr.)	1,642	1,618	461	735	1004	3,420	441	62

Note: Market Capitalization of Financial services incl. Chola Investments and Chola Financial Holdings.
 Financial Performance are of FY 23-24.
 Market data as on 30th Sep 2024. Source: BSE

Corporate Overview





The five lights
The values, principles and beliefs that have always guided us and continue to show the way forward.

Integrity
We value professional and personal integrity above all else. We achieve our goals by being honest and straightforward with all our stakeholders. We earn trust with every action, every minute of every day.

Passion
We play to win. We have a healthy desire to stretch, to achieve personal goals and accelerate business growth. We strive constantly to improve and be energetic in everything that we do.

Quality
We take ownership of our work. We unflinchingly meet high standards of quality in both what we do and the way we do it. We take pride in excellence.

Respect
We respect the dignity of every individual. We are open and transparent with each other. We inspire and enable people to achieve high standards and challenging goals. We provide everyone equal opportunities to progress and grow.

Responsibility
We are responsible corporate citizens. We believe we can help make a difference to our environment and change lives for the better. We will do this in a manner that benefits our size and also reflects our humility.

“The fundamental principle of economic activity is that no man you transact with will lose, then you shall not.”



42.9 lakh + customers

Helping customers enter a better life

3.5 lakh customers in year 2010 to 42.9 lakh plus customers till date



61,291 employees

Experienced team to serve more customers

980 plus employees in year 2010 to 61,000+ employees today



Rs. 1.77 lakh Cr. Total AUM

Healthy pre-tax ROA of 3.2%

PAT – 15-year CAGR of 48% from FY10 to FY24



Rs. 1.35 lakh+ Cr. market cap

Rapid market cap growth

From Rs. 623 Cr. in year 2010 to Rs. 1.35 lakh+ Cr. in 2024



1508 branches

Strong geographical presence

Across 26 states & 7 Union Territories. 91% presence across tier III—VI towns



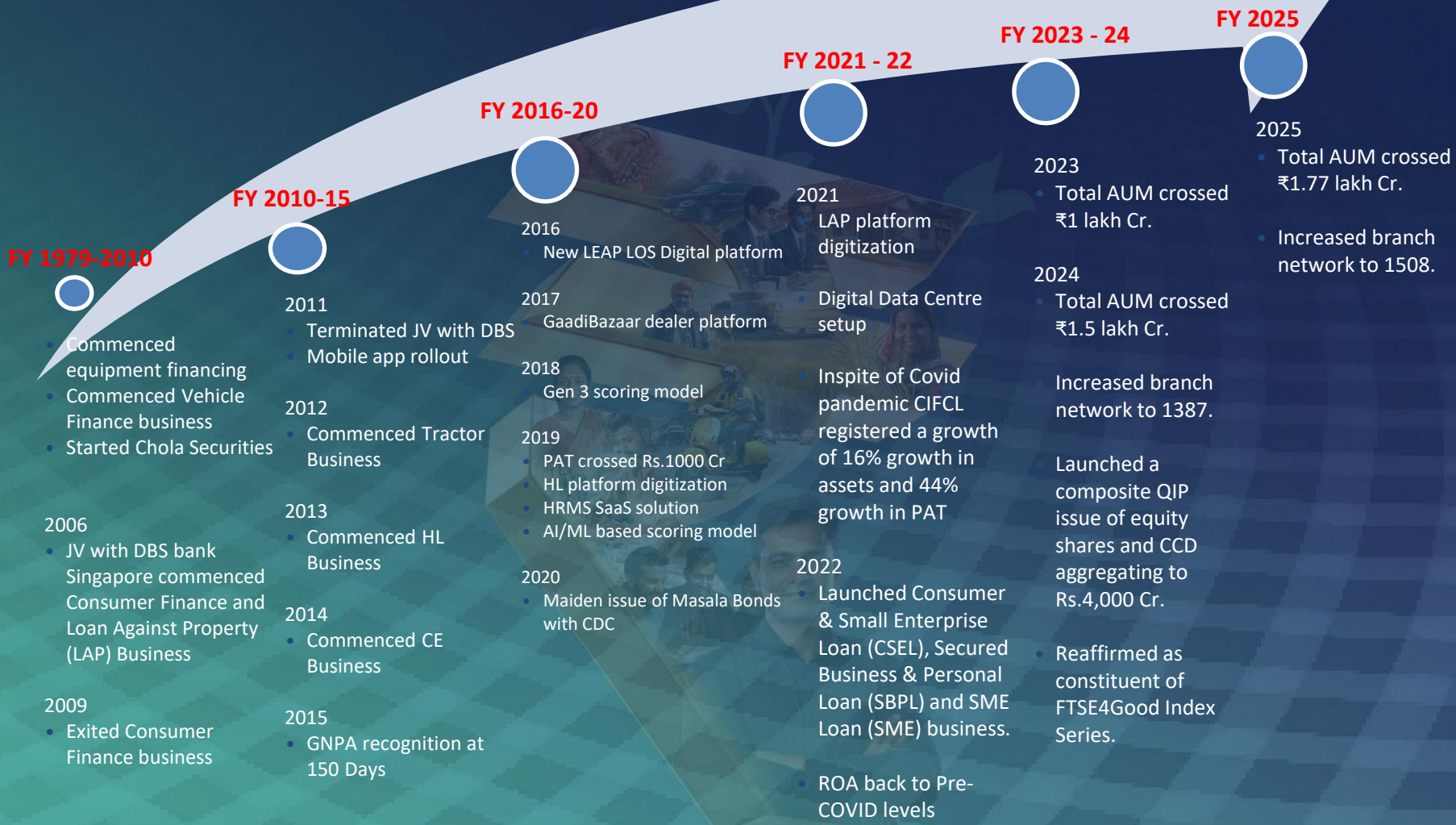
Diversified product portfolio

- Presence across Vehicle Finance loans, Loan Against Property, Home Loans, Consumer loans, Personal loans, SME Loans, Stock broking & distribution of financial products.



Experienced management

- Experienced management team with relevant industry experience
- Significant synergies with Murugappa group, deriving operational and financial benefits



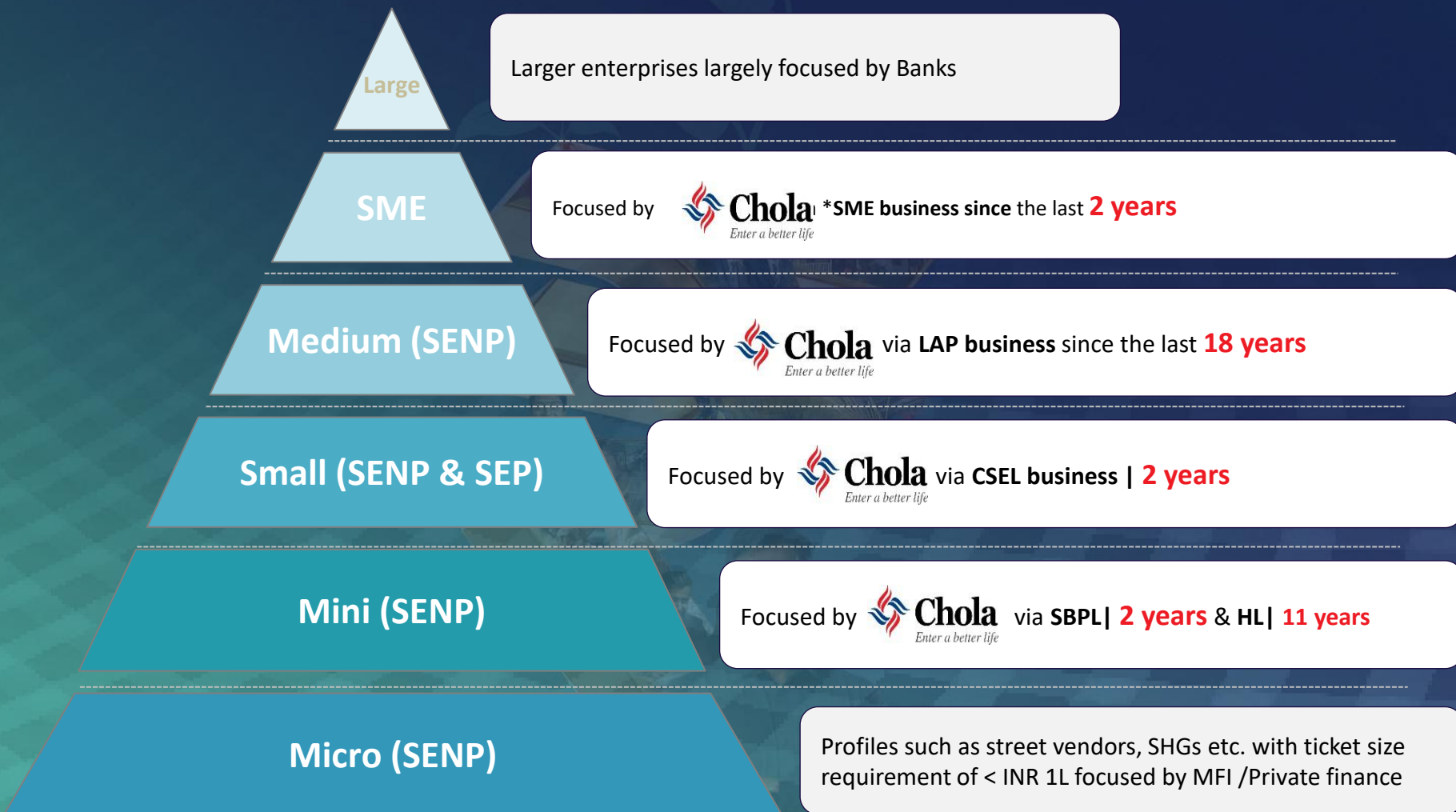
Particulars	Q2FY25 Vs Q2FY24	H1FY25 Vs H1FY24
Disbursement	Disbursement at Rs.24,314 Cr, a growth of 13%.	Disbursement at Rs.48,646 Cr, a growth of 17%.
Business AUM	Rs.1,64,642 Cr, a growth of 33%.	
NIM	Improved to 7.5% as compared to 7.4%	Improved to 7.6% as compared to 7.4%
PBT	Rs.1,299 Cr, a growth of 27%	Rs.2,567 Cr, a growth of 29%
PBT – ROTA	3.0% as compared to 3.2%	3.1% as compared to 3.3%
Return on Equity	18.2% as compared to 19.7%	18.6% as compared to 19.8%
Stage 3 (90DPD)	2.83% in H1FY25 as compared to 2.96% of H1FY24	
GNPA (RBI)	3.78% in H1FY25 as against 4.07% of H1FY24 and NNPA at 2.48% in H1FY25 as against 2.59% of H1FY24.	
CAR	19.50%. Tier I at 15.04%	

Particulars	Q2FY25 Vs Q2FY24	H1FY25 Vs H1FY24
VEHICLE FINANCE Overview	<ul style="list-style-type: none"> Well-diversified product portfolio spread across 1461 branches PAN India Focused on financing of CV, PV, 2W, Tractor and Construction equipment in both new and used segments. Our focus continues to be on retail customers especially in smaller towns and rural areas 	
Disbursement	Disbursement of Rs.12,336 Cr, a growth of 5%.	Disbursement of Rs.25,102 Cr, a growth of 9%.
PBT	PBT at Rs.631 Cr, a growth of 26%	PBT at Rs.1,251 Cr, a growth of 25%
LOAN AGAINST PROPERTY Overview	<ul style="list-style-type: none"> Focused on financing SME customers for their business needs against security of existing immovable property, operating out of 779 (772 co-located with VF) branches pan India. 78% of the book is financed against Self-Occupied residential property as collateral. 	
Disbursement	Disbursement of Rs.4,295 Cr, a growth of 35%.	Disbursement of Rs.8,170 Cr, a growth of 39%.
PBT	PBT at Rs.295 Cr, a growth of 26%	PBT at Rs.587 Cr, a growth of 28%
HOME LOAN Overview	<ul style="list-style-type: none"> Focused on providing Home Loans under affordable segment with presence across 697 (664 co-located with VF) branches PAN India. 	
Disbursement	Disbursement of Rs.1,823 Cr, a growth of 16%.	Disbursement of Rs.3,601 Cr, a growth of 19%.
PBT	PBT at Rs.171 Cr, a growth of 79%	PBT at Rs.334 Cr, a growth of 83%

Particulars	Q2FY25 Vs Q2FY24	H1FY25 Vs H1FY24
SME Overview	<ul style="list-style-type: none"> The product suite includes Supply chain financing, Term loans for capex, Loan against shares, Funding on hypothecation of machinery for specific industries. Servicing out of 88 (co-located) locations with business growth both through traditional and Fintech partnerships. 	
Disbursement	Disbursement of Rs.1,959 Cr, a growth of 1%.	Disbursement of Rs.4,119 Cr, a growth of 3%.
PBT	PBT at Rs.27 Cr, a growth of 30%	PBT at Rs.51 Cr, a growth of 42%
CSEL Overview	<ul style="list-style-type: none"> Offers Personal Loans, Professional Loans & Business Loans to Salaried, Self-employed Professionals and Micro & Small businesses through traditional DSA/DST model, Partnerships with FinTech's, Direct to consumer through Chola one app and Tie-up with Samsung Finance for Samsung Mobile Phone Financing. Present in 482 locations (481 co-located & 1 standalone) and have acquired over 16.2+ lakh customers as on Sep24. 	
Disbursement	Disbursement of Rs.3,588 Cr, a growth of 26%.	Disbursement of Rs.7,075 Cr, a growth of 36%.
PBT	PBT at Rs.100 Cr, a growth of 118%	PBT at Rs.201 Cr, a growth of 105%
SBPL Overview	<ul style="list-style-type: none"> Offers secured business loan and secured personal loan against self-occupied residential property or commercial-cum-residential property as collateral – present in 414 locations (co-located) spread across 11 states as on Sep24. 	
Disbursement	Disbursement of Rs.312 Cr, a growth of 27%.	Disbursement of Rs.580 Cr, a growth of 36%.
PBT	PBT at Rs.35 Cr as compared to Rs.2 Cr	PBT at Rs.65 Cr as compared to Rs.3 Cr

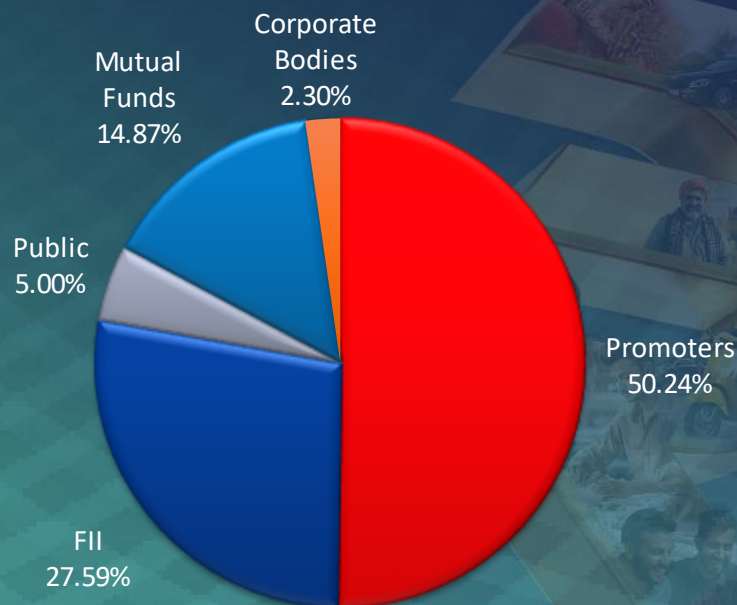
Particulars	VF	LAP	HL	New Businesses	Business Enablers	Chola
No of Employees	41299	5071	7039	6316	1566	61291
No of Branches	1461	*779	*697	*688	*6	1508
No of Customers	2477945	61342	123593	1629539	NA	4292419





- Prior to 2022 major customers were within Murugappa eco-system.
- CSEL – Consumer & Small Enterprise Loan SBPL - Secured Business & Personal Loan

Shareholding Pattern



- Promoters' share holding of 50.24% includes
 - Cholamandalam Financial Holdings Limited – 44.37%,
 - Ambadi Investments Limited – 4.01%
 - Others – 1.86%

Institutional Holders (More than 1%)

Top Domestic Institutional Holding

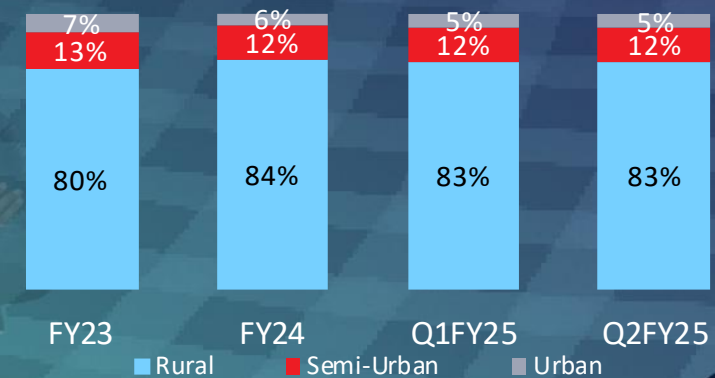
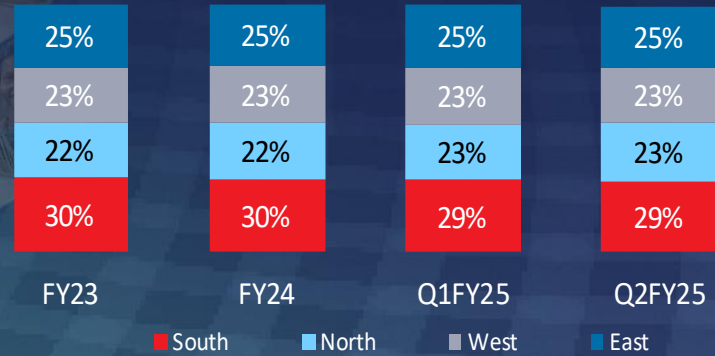
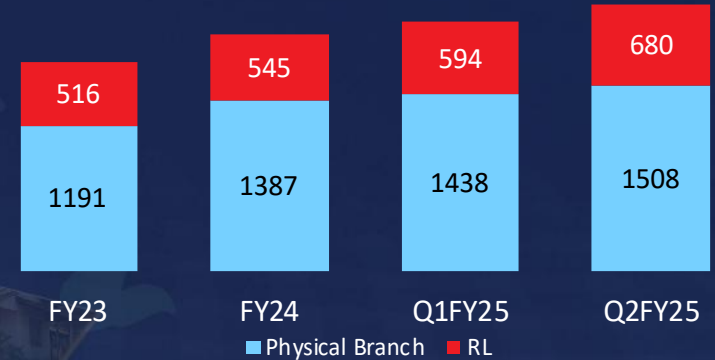
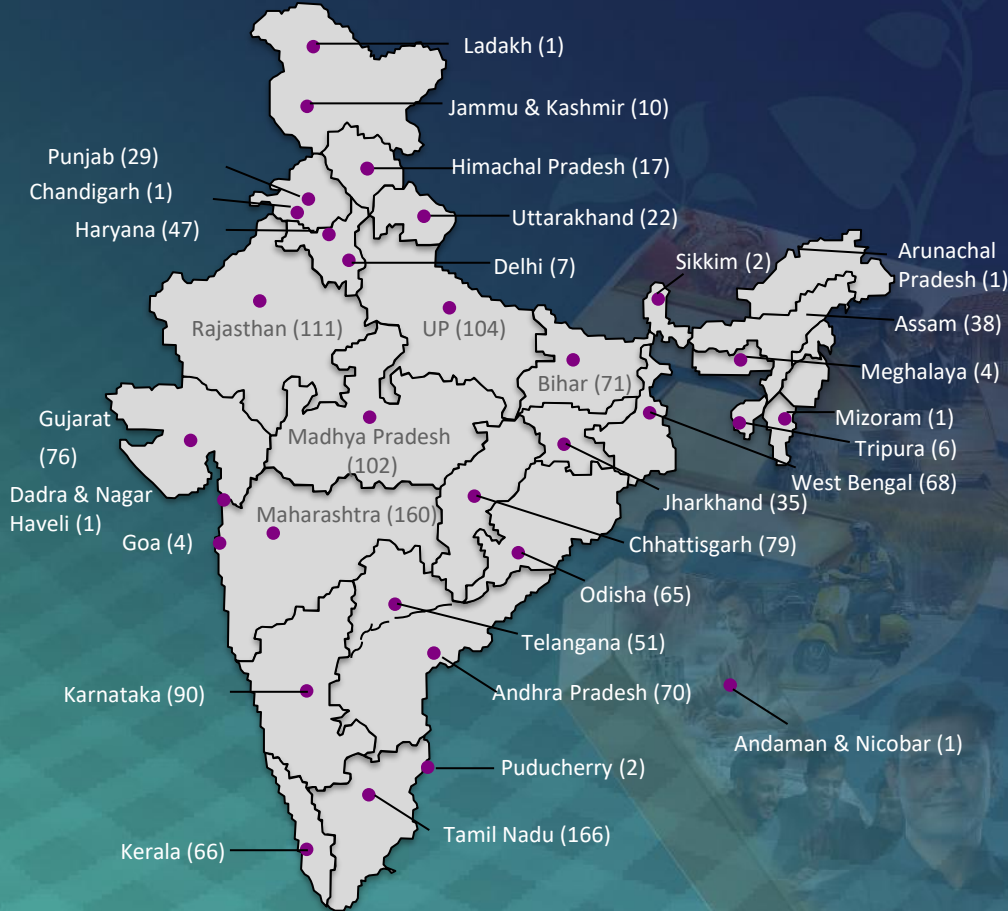
- Axis Mutual Fund
- SBI Mutual Fund
- Canara Robeco Mutual Fund
- HDFC Mutual Fund
- Aditya Birla Sun Life Mutual Fund

Top Foreign Institutional Holding

- Capital Group
- Vanguard
- Blackrock
- Norges Bank Investment Management

Note: As on 30th September 2024

Strong Geographical Presence



- 1508 branches across 26 states & 7 Union territories: 1461 VF, 779 LAP (772 co-located with VF), 697 HL (664 co-located with VF), 482 CSEL (481 co-located with VF), 414 SBPL, 88 SME (all co-located with VF) & 6 locations for Head office Functions and Operations in Tamil Nadu
- 91% locations are in Tier-III, Tier-IV, Tier V and Tier-VI towns

Note: Figures in brackets represents total no. of branches as on 30th Sep 2024.

CSEL – Consumer & Small Enterprise Loan

SBPL - Secured Business & Personal Loan

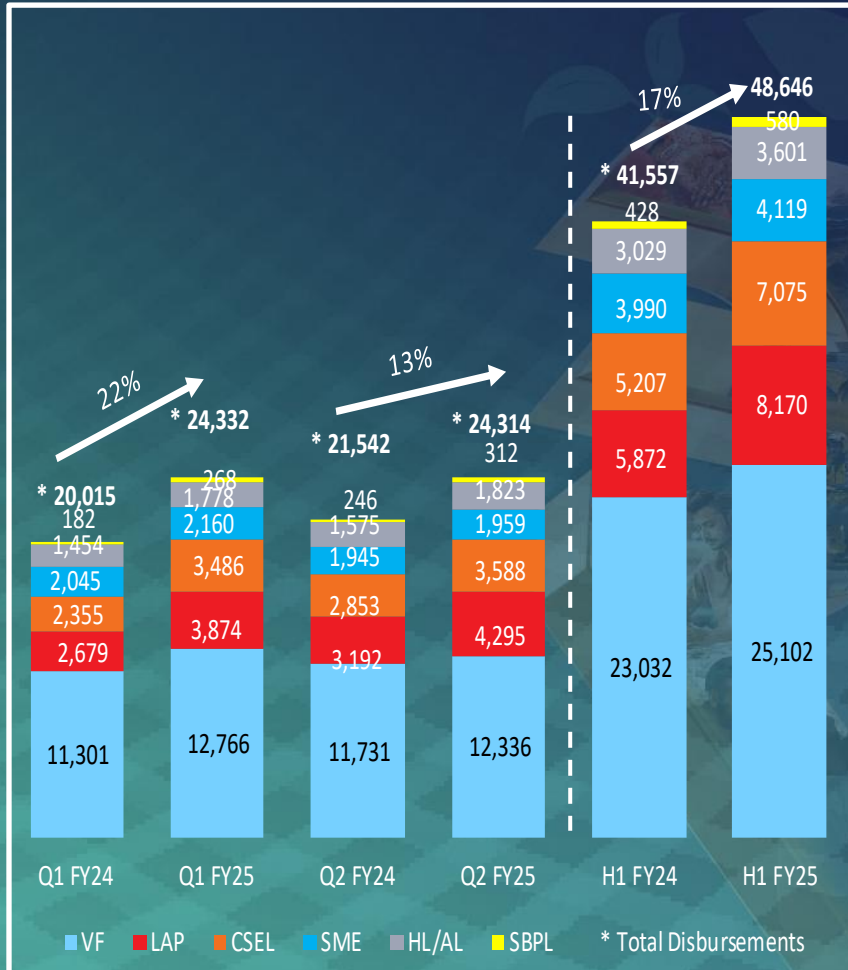
Financial Performance



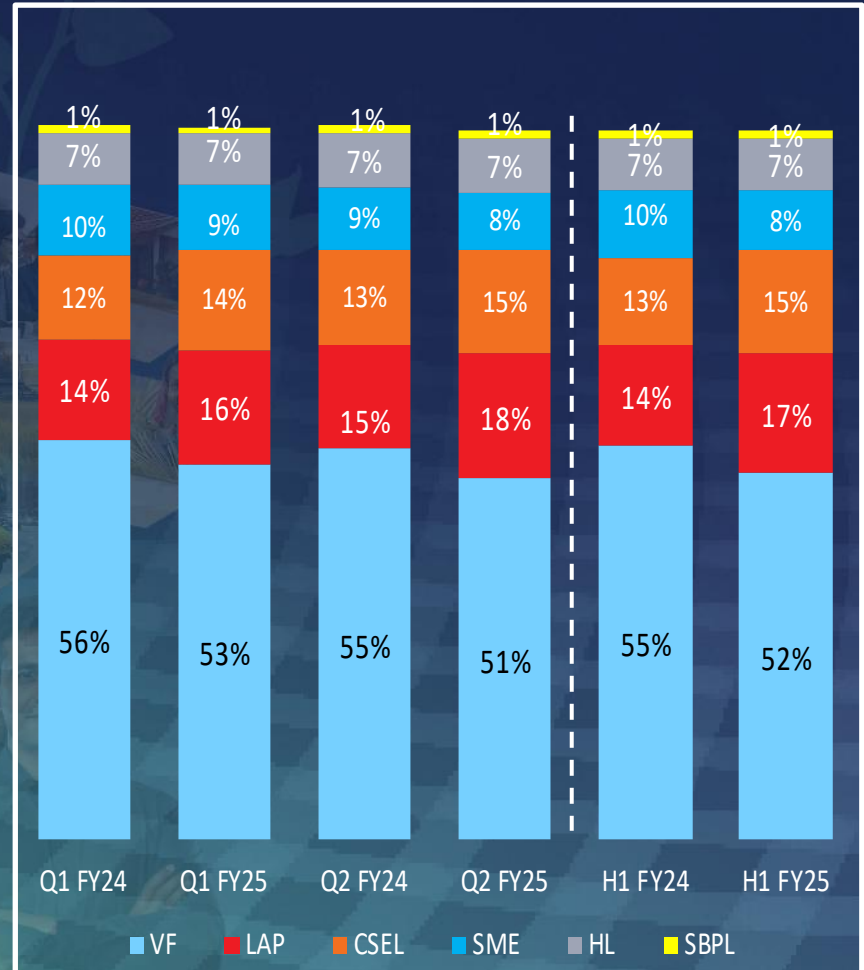
Financials Snapshot	Recovery and Stabilisation												COVID		New Growth		YoY	CAGR (5 years)	CAGR (15 years)
	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24				
	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	IGAAP	INDAS	INDAS	INDAS	INDAS	INDAS	INDAS	INDAS	INDAS			
Disbursements	3,866	5,731	8,889	12,118	13,114	12,808	16,380	18,591	25,114	30,451	29,091	26,043	35,490	66,532	88,725	33%	32%	25%	
Assets under management	7,725	9,684	13,846	19,640	24,155	26,191	30,362	35,110	43,629	57,560	66,943	76,518	82,904	1,12,782	1,53,718	36%	23%	24%	
Total Income	929	1,202	1,788	2,556	3,263	3,691	4,194	4,660	5,529	6,962	8,468	9,576	10,139	12,978	19,216	48%	23%	24%	
Gain on Assignment	-	-	-	-	-	-	-	-	-	87	247	-	-	-	-				
Interest expenses	504	568	988	1,411	1,771	1,960	2,051	2,231	2,659	3,589	4,592	4,576	4,299	5,749	9,231	61%	19%	23%	
Net Income	425	634	800	1,145	1,492	1,731	2,143	2,429	2,870	3,460	4,123	5,000	5,840	7,229	9,986	38%	25%	25%	
Operating Expenses	200	333	437	570	658	749	845	1,013	1,115	1,270	1,578	1,583	2,069	2,780	4,082	47%	27%	24%	
Operating Profit Before Loan Losses	225	301	363	575	834	982	1,298	1,416	1,754	2,190	2,545	3,416	3,771	4,449	5,904	33%	23%	26%	
Loan Losses & Provision	191	177	40	124	283	325	427	311	353	367	455	812	1,434	1,350	1,322	-2%	31%	15%	
Profit before tax	31	100	290	451	550	657	871	1,105	1,401	1,823	1,586	2,038	2,891	3,600	4,582	27%	30%	43%	
Profit after tax	15	62	173	307	364	435	568	718	918	1,186	1,052	1,515	2,147	2,666	3,423	28%	34%	48%	
Ratios																			
Total Income to assets (%)	16.5	16.6	16.6	16.9	16.8	16.9	17.1	16.5	14.8	14.2	14.6	14.0	13.7	13.8	14.4				
Cost of Funds to assets (%)	9.0	7.9	9.2	9.3	9.1	9.0	8.4	7.9	7.1	7.2	7.7	6.7	5.8	6.1	6.9				
Net Income to assets (%)	7.6	8.8	7.4	7.6	7.7	7.9	8.7	8.6	7.7	7.0	6.9	7.3	7.9	7.7	7.5				
Expense to assets (%)	3.6	4.6	4.1	3.8	3.4	3.4	3.4	3.6	3.0	2.6	2.6	2.3	2.8	3.0	3.1				
Losses and provisions (%)	3.4	2.4	0.4	0.8	1.5	1.5	1.7	1.1	0.9	0.7	0.8	1.2	1.9	1.4	1.0				
Return on assets (PBT) (%)	0.5	1.4	2.7	3.0	2.8	3.0	3.6	3.9	3.7	3.7	2.7	3.0	3.9	3.8	3.4				
Return on assets (PAT) (%)	0.3	0.9	1.6	2.0	1.9	2.0	2.3	2.5	2.5	2.4	1.8	2.2	2.9	2.8	2.6				
Cost to Net Income (%)	47.1	52.5	54.6	49.8	44.1	43.3	39.4	41.7	38.9	36.7	38.3	31.7	35.4	38.5	40.9				
Networth - Rs. In Crs (Note 1)	785	*1072	*1417	*1965	2295	*3173	3657	4285	5098	6176	*8172	9560	11708	14296	*19557				
Tier I (%)	9.5	10.8	11.0	11.1	10.5	13.0	13.3	13.6	13.2	12.6	15.3	15.1	16.5	14.8	15.1				
CAR (%)	14.8	*16.7	*18.1	*19.0	17.2	*21.2	19.7	18.6	18.4	17.4	*20.68	19.1	19.6	17.1	*18.57				
Return on equity (%)	2.3	6.7	13.9	18.1	17.1	15.8	16.7	18.1	19.6	20.9	15.2	16.9	20.4	20.6	20.6				
EPS (Basic) - In Rs.	0.4	1.1	2.9	4.6	5.1	6.0	7.5	9.2	11.8	15.2	13.4	18.5	26.2	32.5	41.2				
Dividend (%)	10%	15%	25%	35%	35%	35%	45%	55%	65%	65%	85%	100%	100%	100%	100%				
Market Cap - in Rs Crs	623	2059	2453	3883	4125	8423	11140	15072	22667	22624	12535	45824	58978	62607	97227				
GNPA (%) (Note 2)	5.5	2.6	0.9	1.0	1.9	3.1	3.5	4.7	3.4	2.7	3.8	4.0	6.8	4.6	3.5				
NNPA (%)	1.7	0.3	0.3	0.2	0.7	2.0	2.1	3.2	2.2	1.7	2.2	2.2	4.7	3.1	2.3				
NPA Recognition	6month	6month	6month	6month	6month	5month	4month	3month	3month	3month	3month	3month	3month	3month	3month				
Branch Network - in Nos	171	236	375	518	574	534	534	703	873	900	1091	1137	1145	1191	1387				

- Note:
- Capital Infusion in years where star marked
 - Spurt in GNPA in FY20 and FY21 was due to Covid and in FY22 was due to new RBI norms on NPA

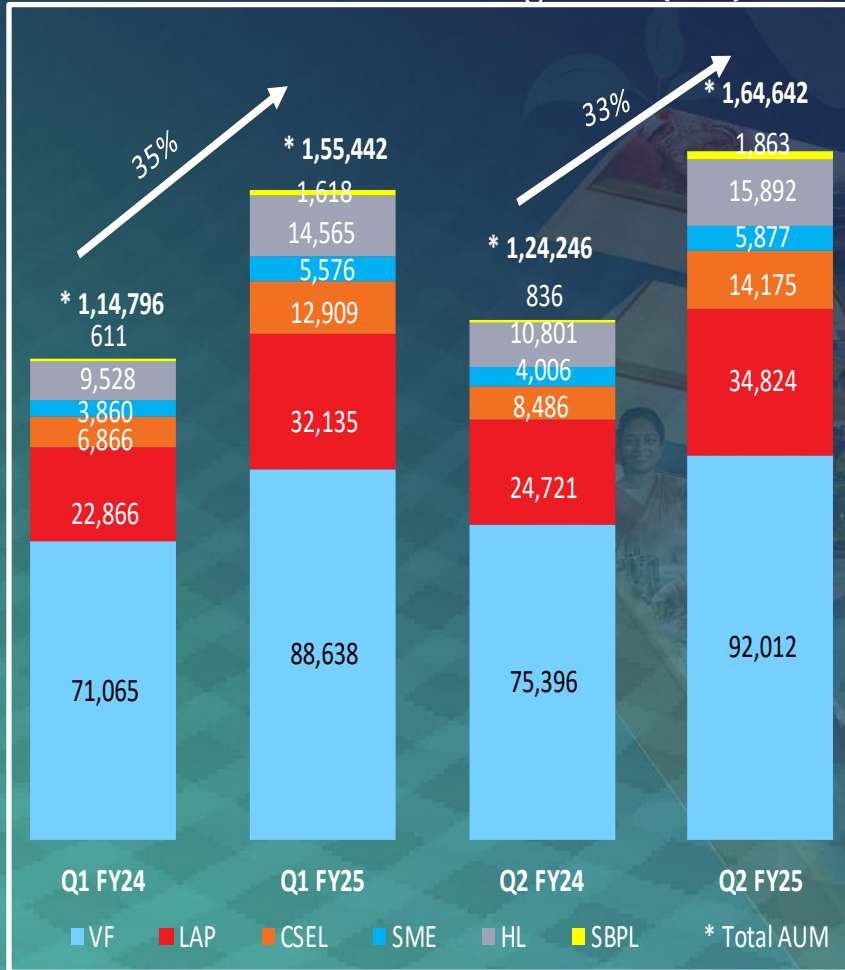
Disbursements (₹Cr)



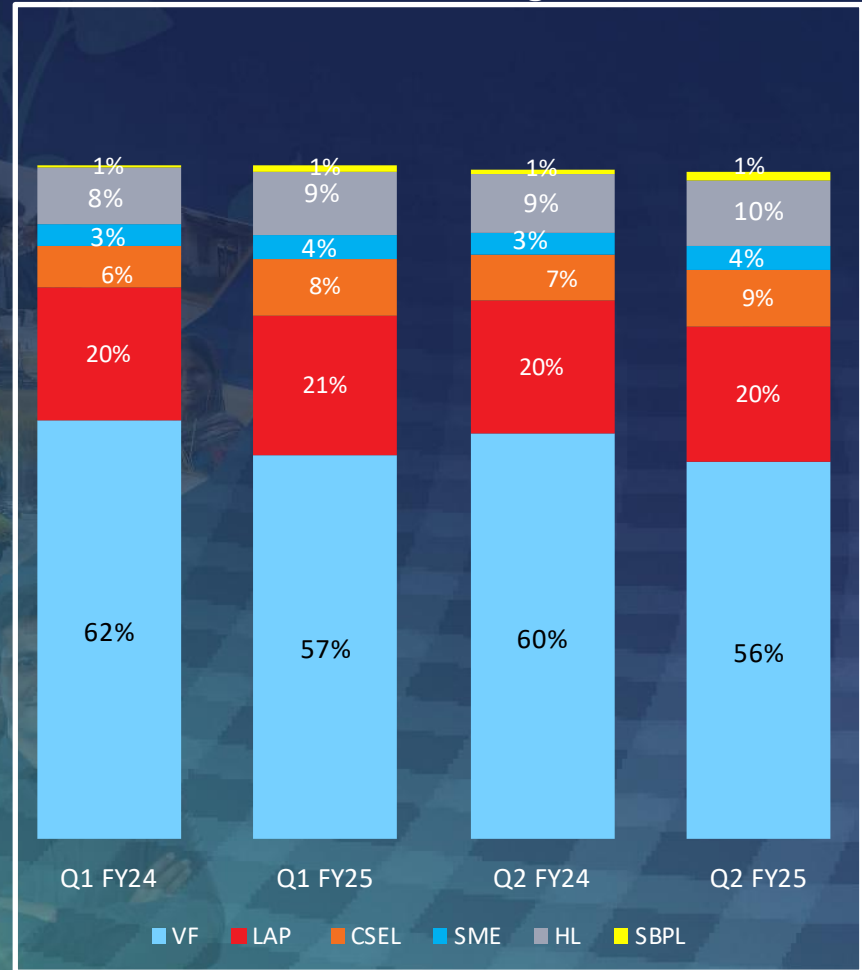
Disbursements (%)



Business - Assets under Management (₹Cr)

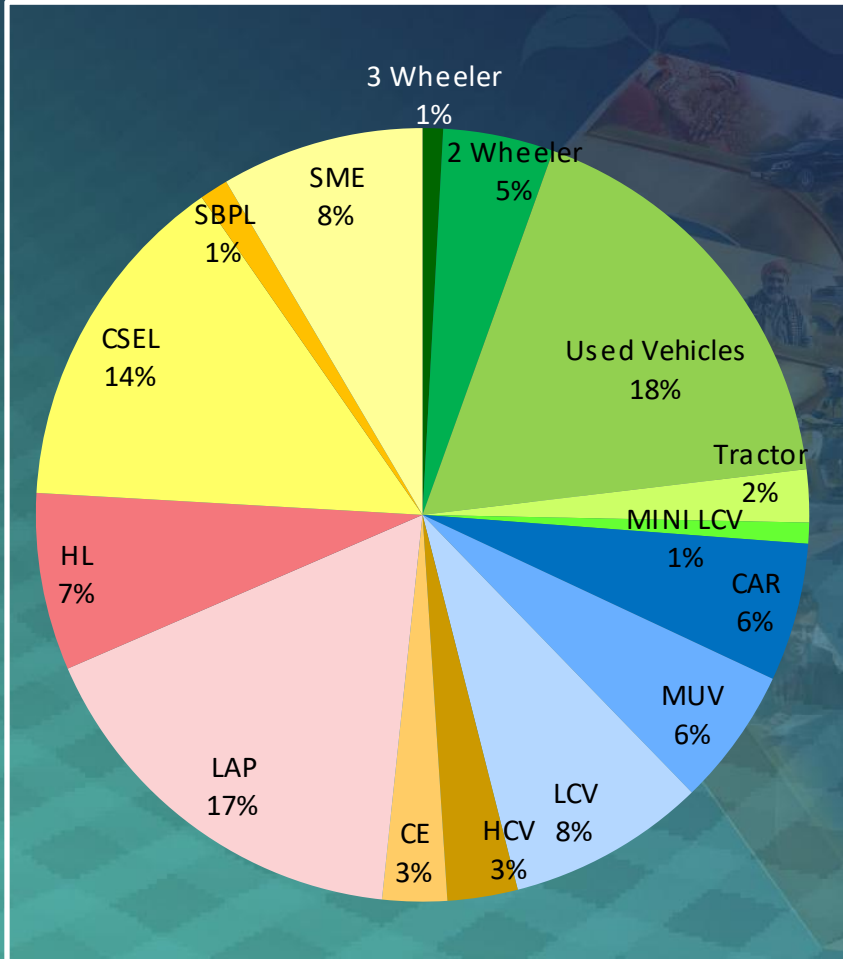


Business - Assets under Management (%)

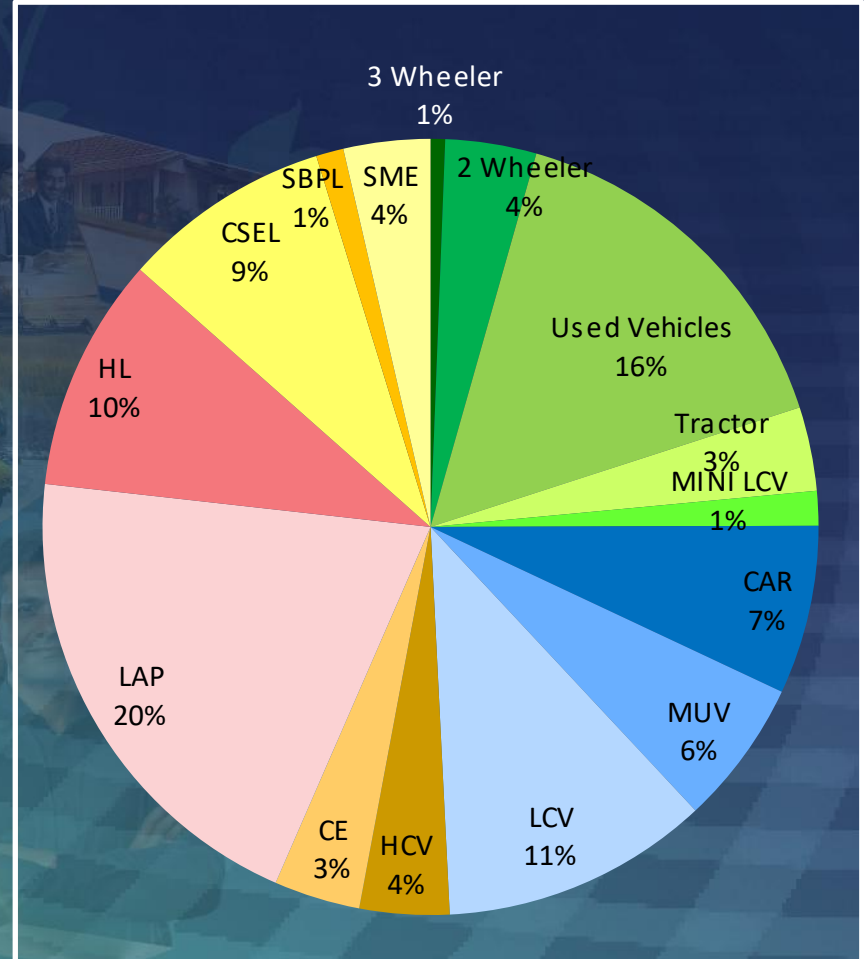


Well diversified product segments

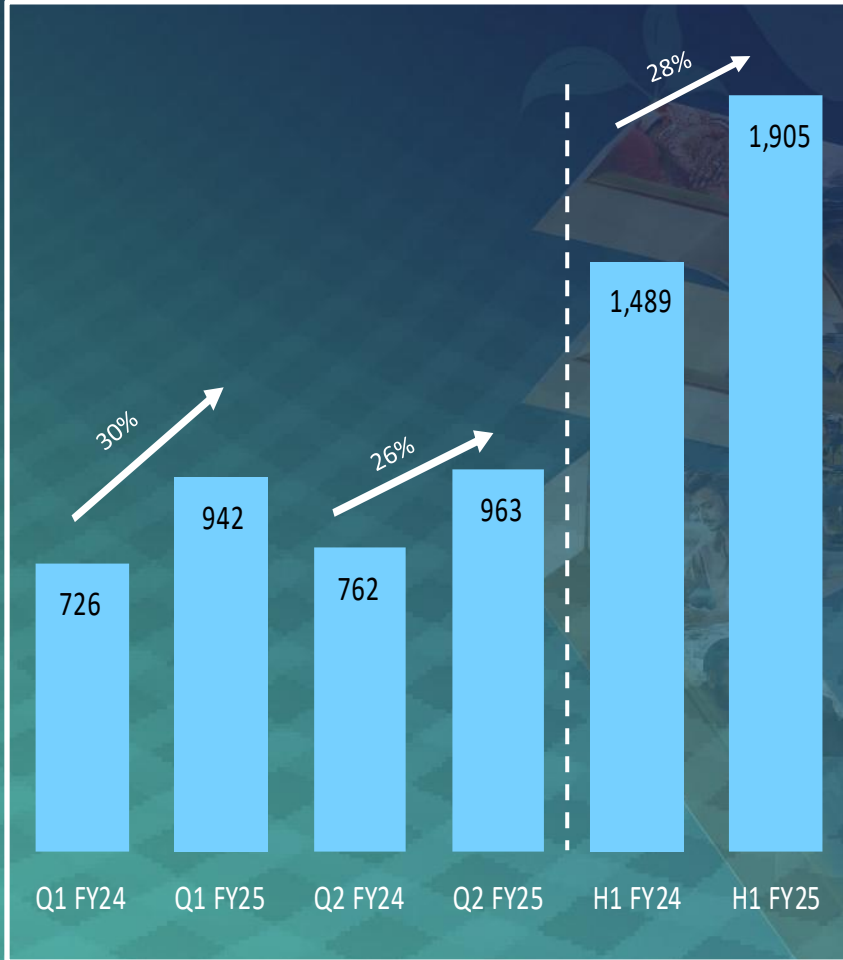
Disbursements (%) - Product wise



Portfolio (%) - Product wise



Profit after tax (₹Cr)



Networth (₹Cr)

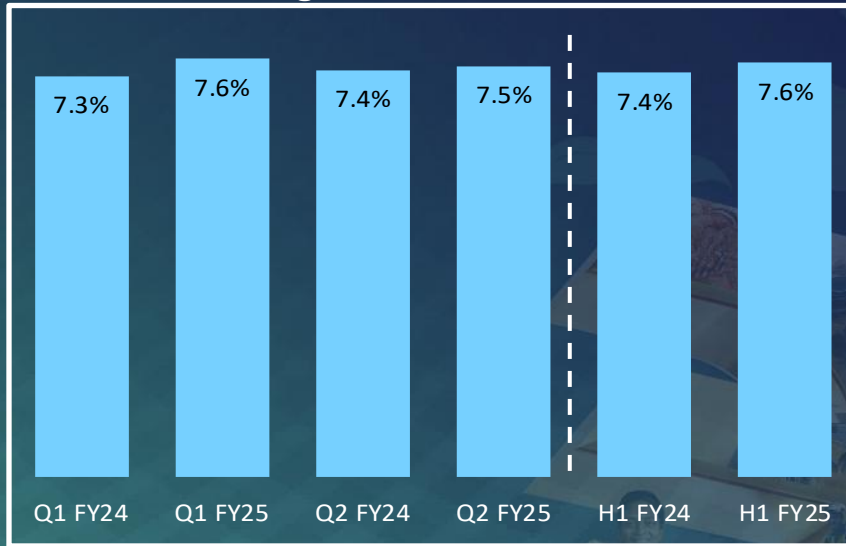


Note on Network

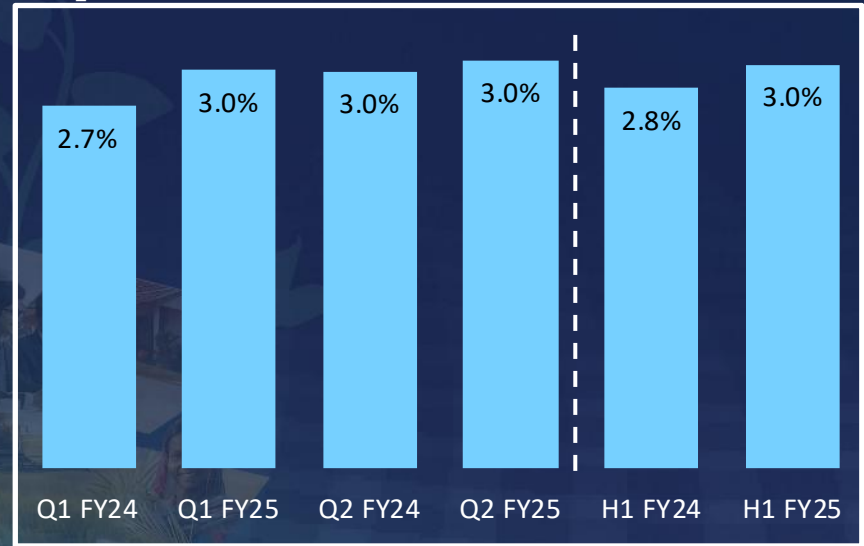
FY24 – Raised capital of ₹2,000 Cr (QIP) and Rs.2,000 Cr (Compulsory Convertible Debentures).

Asset Ratios

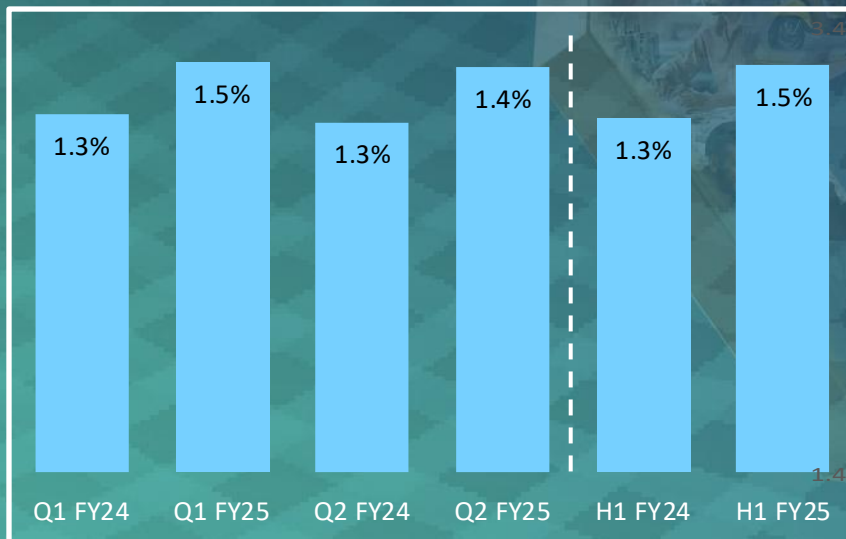
Net Income Margin (%)



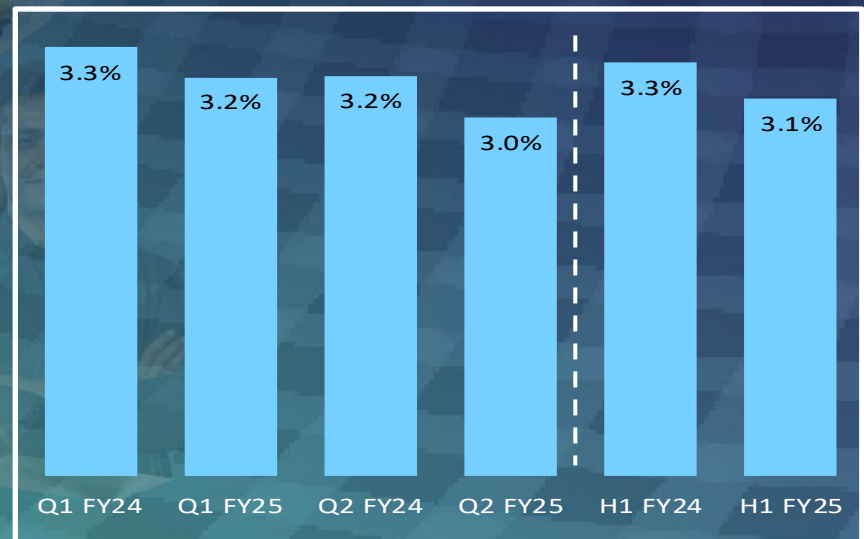
Expenses Ratio (%)



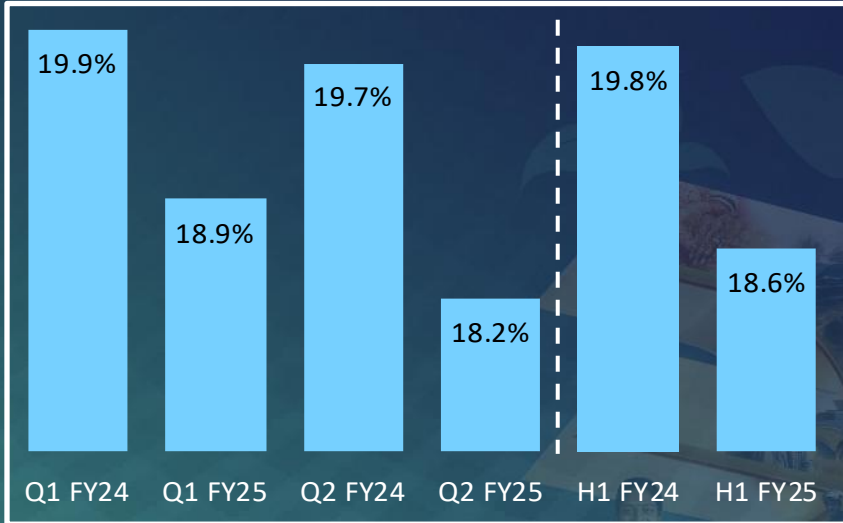
Loan Losses & Provisions (%)



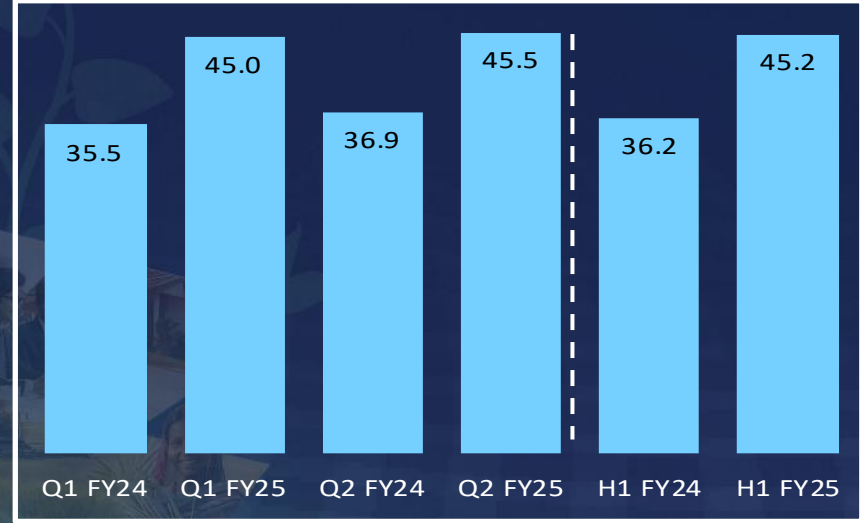
ROA - PBT (%)



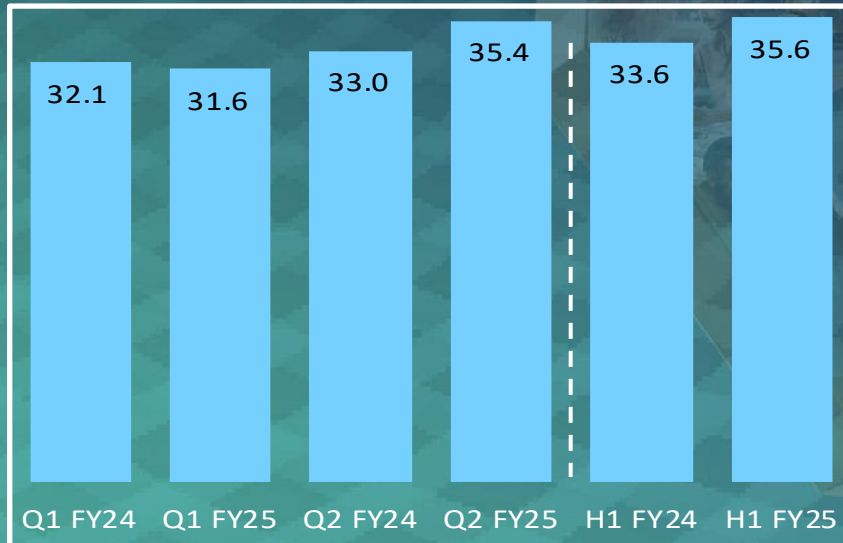
Return on equity (%)



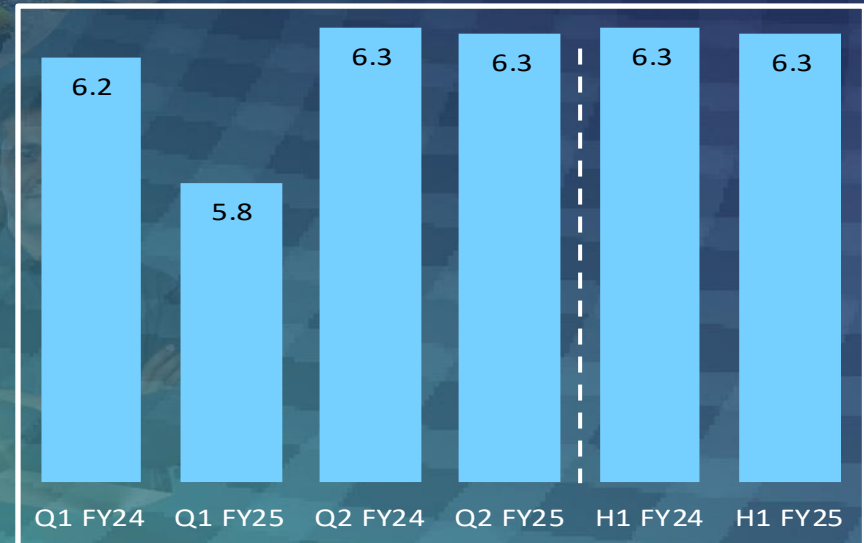
Earnings per share (₹)



P/E Ratio



P/BV Ratio



₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2 FY24	Q2 FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	20,015	24,332	21,542	24,314	13%	41,557	48,646	17%
Asset Under Management	1,22,755	1,68,832	1,33,775	1,77,426	33%	1,33,775	1,77,426	33%
Income	4,134	5,828	4,572	6,293	38%	8,706	12,122	39%
Finance Charges	2,007	2,796	2,205	3,055	39%	4,212	5,851	39%
Net Income	2,127	3,033	2,367	3,238	37%	4,493	6,271	40%
Expenses	787	1,183	946	1,316	39%	1,733	2,499	44%
Net Credit Losses	372	581	400	624	56%	772	1,205	56%
PBT	968	1,268	1,021	1,299	27%	1,988	2,567	29%
Taxes	242	326	258	336	30%	500	662	32%
PAT	726	942	762	963	26%	1,489	1,905	28%
Asset Ratios								
Income	14.2%	14.7%	14.3%	14.6%		14.3%	14.6%	
Cost of Funds	6.9%	7.0%	6.9%	7.1%		6.9%	7.1%	
Net Income Margin	7.3%	7.6%	7.4%	7.5%		7.4%	7.6%	
Expense	2.7%	3.0%	3.0%	3.0%		2.8%	3.0%	
Losses & Provisions	1.3%	1.5%	1.3%	1.4%		1.3%	1.5%	
ROA-PBT	3.3%	3.2%	3.2%	3.0%		3.3%	3.1%	
ROA-PAT	2.5%	2.4%	2.4%	2.2%		2.4%	2.3%	
Gross - Stage 3	3,546	4,123	3,719	4,708		3,719	4,708	
ECL Provisions - Stage 3	1,610	1,876	1,760	2,095		1,760	2,095	
Coverage Ratio - Stage 3	45.4%	45.5%	47.3%	44.5%		47.3%	44.5%	
Cost to Net Income	37.0%	39.0%	40.0%	40.6%		38.6%	39.8%	

Balance Sheet (As per IND AS)

₹ Cr

Particulars	Sep23	Mar24	Sep24
ASSETS			
Financial Assets	1,35,126	1,53,770	1,78,626
Cash and Bank balance	7,852	4,320	8,571
Derivative financial instruments	288	248	92
Receivables	252	399	350
Loans	1,22,889	1,44,424	1,63,596
Investments	3,610	4,137	5,815
Other Financial Assets	236	241	202
Non- Financial Assets	1,755	2,680	2,980
Current tax assets (Net)	404	357	389
Deferred tax assets (Net)	671	654	763
Property, Plant and Equipment	454	1,534	1,629
Capital work in progress	-	-	-
Intangible assets	42	35	33
Other Non-Financial Assets	184	100	165
TOTAL	1,36,881	1,56,451	1,81,606
EQUITY AND LIABILITIES			
Financial Liabilities	1,20,875	1,36,619	1,59,929
Derivative financial instruments	143	187	273
Trade Payables - Others	26	115	64
Other Payables - Others	924	1,338	1,196
Borrowings	1,19,470	1,34,474	1,57,794
Other Financial Liabilities	312	506	602
Non-Financial Liabilities	232	275	312
Shareholder's fund	15,773	19,557	21,365
TOTAL	1,36,881	1,56,451	1,81,606

Particulars	Jun24 INR Cr	Sep-24 INR Cr	Jun24 % to GA	Sep-24 % to GA
Gross Assets	1,57,095	1,66,654	100.0%	100.0%
Stage 1	1,49,060	1,57,446	94.89%	94.47%
Stage 2	3,912	4,500	2.49%	2.70%
Stage 3	4,123	4,708	2.62%	2.83%
Provision	2,780	3,058	1.77%	1.83%
Stage 1	565	582	0.38%	0.37%
Stage 2	339	381	8.67%	8.48%
Stage 3	1,876	2,095	45.50%	44.49%
Net Assets	1,54,315	1,63,596	98.23%	98.17%
Stage 1	1,48,495	1,56,864	94.53%	94.13%
Stage 2	3,572	4,118	2.27%	2.47%
Stage 3	2,247	2,613	1.43%	1.57%

Particulars		Asset	Total Provn	NNPA	Asset	Total Provn	NNPA
		Rs in Cr			%		
Stage 1A	(A)	1,57,146	570	1,56,576	94.29%	0.36%	93.95%
Stage 1B	(B)	300	12	288	0.18%	3.91%	0.17%
Total Stage 1	(C)	1,57,446	582	1,56,864	94.47%	0.37%	94.13%
Stage 2A	(D)	3,206	256	2,950	1.92%	7.97%	1.77%
Stage 2B	(E)	1,294	126	1,168	0.78%	9.73%	0.70%
Total Stage 2	(F)	4,500	381	4,118	2.70%	8.48%	2.47%
Total Stage 3	(G)	4,708	2,095	2,613	2.83%	44.49%	1.57%
Total	(C + F + G)	1,66,654	3,058	1,63,596	100.00%	1.83%	98.17%
NPA as per RBI (incl Sec)	(B + E + G)	6,302	2,232	4,070	3.78%	35.42%	2.44%
NNPA% - RBI: Net NPA / (Asset - provisions for GNPA)							2.48%

Addition of Stage 1B, Stage 2B and Stage 3 will be the GNPA% and NNPA % as per RBI norms with INDAS values.

We carry additional provision of Rs.1,020 Cr under INDAS over IRAC

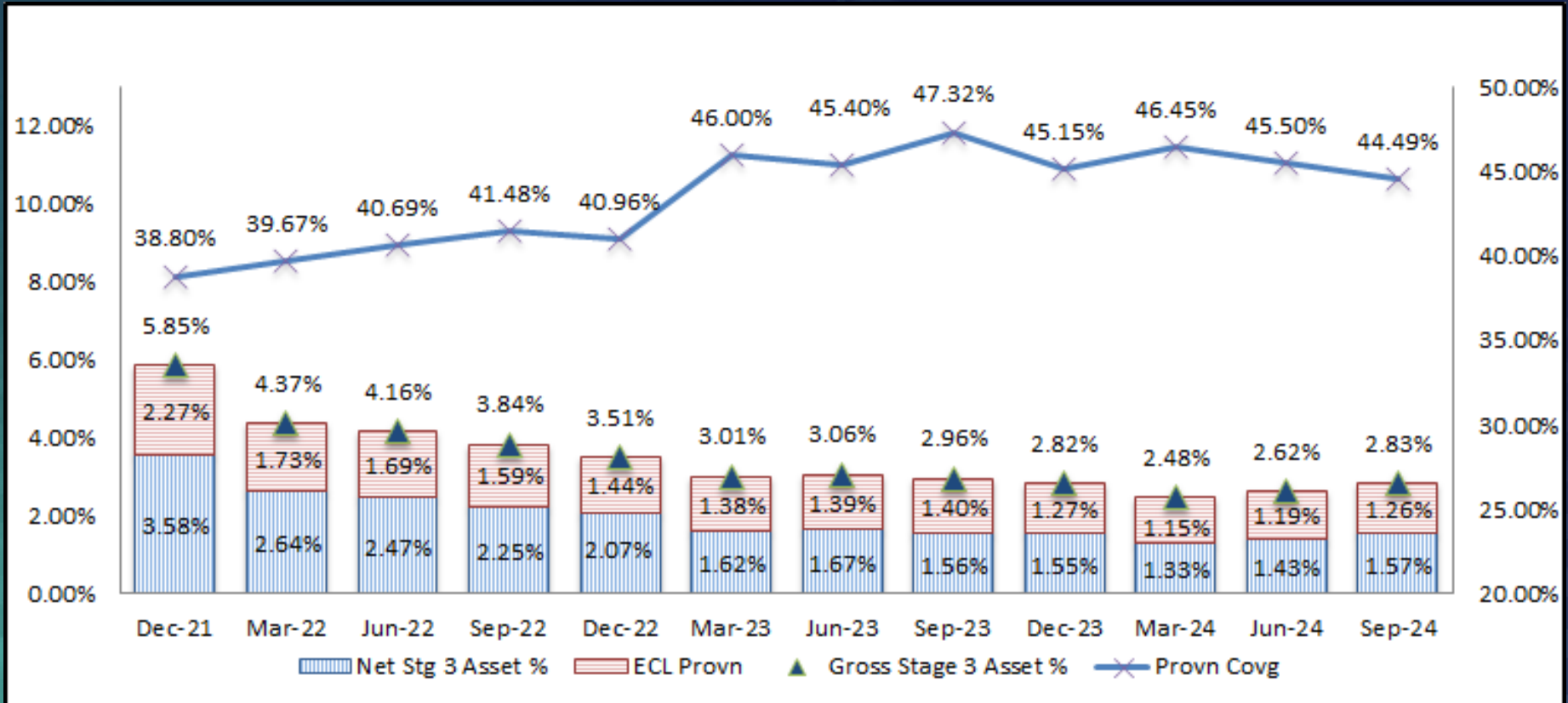
Stage_1A	Represents assets (i) which had never touched NPA and (ii) which had been an NPA in the past but had been normalised and currently 0-30 days - Hence no more an NPA as per RBI norms
Stage_1B	Represents assets (i) which had been an NPA in the past but yet to be fully normalized though it has moved to Stage1 currently - Hence an NPA as per current RBI norms
Stage_2A	Represents assets (i) which had never touched NPA and (ii) which had been an NPA in the past but had been normalised post that now in 31-90 days DPD - Hence no more an NPA as per RBI norms
Stage_2B	Represents assets which had been an NPA in the past but yet to be fully normalised though it has moved to Stage2 currently - Hence an NPA as per current RBI norms
Stage_3	Represents assets which continues to be an NPA as on the closing date - Hence an NPA as per current RBI norms

Stage 3 Assets Product-wise

₹ Cr

Asset Class	Closing Asset	Gross Stage 3	Stage 3 Asset %	ECL Provision	Provision Coverage	Net Stage 3	Net Stage 3%
Sep24	1,66,654	4,708	2.83%	2,095	44.49%	2,613	1.57%
VF	94,174	3,388	3.60%	1,550	45.75%	1,838	1.95%
LAP	34,583	780	2.25%	331	42.50%	448	1.30%
HL	15,685	180	1.15%	57	31.45%	124	0.79%
CSEL	14,388	224	1.56%	113	50.46%	111	0.77%
SME	5,947	116	1.95%	39	33.36%	77	1.30%
SBPL	1,877	20	1.07%	5	24.75%	15	0.80%
Others	-	-	-	-	-	-	-
Jun24	1,57,095	4,123	2.62%	1,876	45.50%	2,247	1.43%
VF	90,580	2,966	3.27%	1,379	46.51%	1,586	1.75%
LAP	31,834	747	2.35%	332	44.42%	415	1.30%
HL	14,333	149	1.04%	49	32.63%	100	0.70%
CSEL	13,081	164	1.25%	82	50.20%	82	0.62%
SME	5,638	87	1.55%	31	35.77%	56	1.00%
SBPL	1,627	10	0.60%	3	26.39%	7	0.44%
Others	1	-	-	-	-	-	0.00%

As per revised RBI norms GNPA% & NNPA% as of Sep24 is at 3.78% and 2.48%, respectively.



As per revised RBI norms GNPA% & NNPA% as of Sep24 is at 3.78% and 2.48%, respectively.

Business Overview



Vehicle Finance



Vehicle Finance: Q2FY25 & H1FY25 Performance

Disbursements

- Disbursements grew by 5% in Q2FY25 to Rs. 12,336 Cr as compared to Q2FY24 and by 9% in H1FY25 to Rs.25,102 as compared to H1FY24.

Assets under management

- AUM has grown by 22% YoY.

Loss and provisions

- Loan losses at 1.8% in Q2FY25 from 1.7% in Q2FY24 and at 1.9% in H1FY25 from 1.6% in H1FY24.

Profit before tax

- PBT grew by 26% in Q2FY25 to Rs.631 Cr as compared to Q2FY24 and by 25% in H1FY25 to Rs.1,251 Cr as compared to H1FY24.

Sector Outlook

- The Heavy commercial vehicle segment had a de-growth of 15% in Q2 FY25 & 6% in H1 FY25. The growth in this segment will be dependent on push in infra spending by the government and normal monsoons.
- The Light commercial vehicle segment had a de-growth of 7% in Q2 FY25 & 1% in H1 FY25 due to a high base effect of previous year and growth is expected to be subdued in the coming quarters.
- The Small commercial vehicle segment had a de-growth of 14% in Q2 FY25 & 8% in H1 FY25. The current trends will continue going forward this year.

Chola's Position

- We will keep a close watch on this segment in line with industry movement and our exposure is at a minimal.
- We will continue our focus in this segment in line with rural demand and uptick in industry volume.
- Our financing in this segment will be based on a cautious approach considering viability and cash flows of end users.

Sector Outlook

- The Passenger vehicle (Car & MUV) segment had a de-growth of 2% in Q2 FY25 & flat growth in H1 FY25. The segment has been witnessing consecutive growth trends over the last two years and a marginal slowdown in sales numbers is expected.
- The Two-wheeler industry had a growth of 13% in Q2 FY25 & 16% in H1 FY25. This segment is expected to maintain growth trends supported by festive demand and rural cash flows.
- The Used vehicle industry is poised to grow due to the increase in price of new vehicles over the years and increase in organised financing options.

Chola's Position

- Our focus in this segment will be in line with customer demand and retail volumes in rural areas.
- Our focus in the two wheeler segment will be driven by portfolio quality and profitability.
- We will be a key financier in this segment with clear focus on collections.

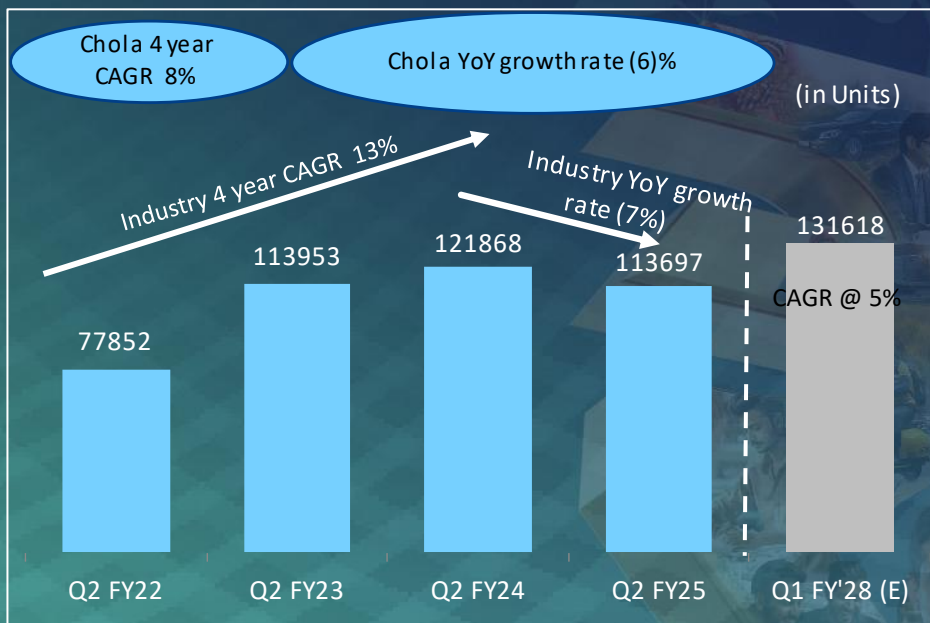
Sector Outlook

- The Construction Equipment segment witnessed flat growth in Q2 FY25 & 2% growth in H1 FY25. Volumes in this segment is directly impacted by government spends in infra, roads, construction and improvement in mining activities.
- The Tractor industry had a marginal growth of 1% in both Q2 & H1 FY25. The growth in second half is directly attributed to normal monsoon and kharif output.

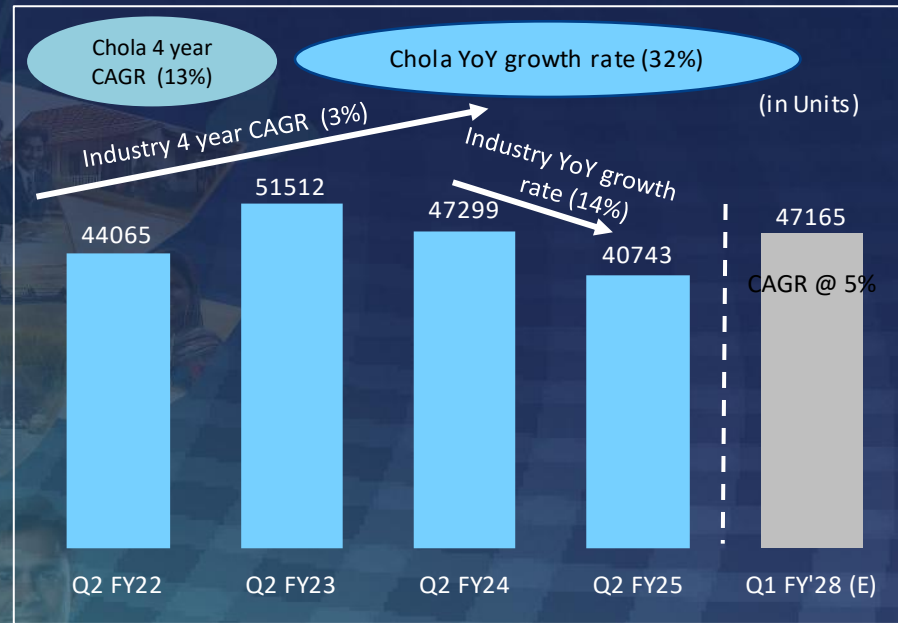
Chola's Position

- Our exposure in this segment is around 6% at a portfolio level and we will continue to build a quality book.
- We will keep a close watch on this segment and our financing will be based on kharif yields and rural cash flows.

Trend in Domestic LCV Sales

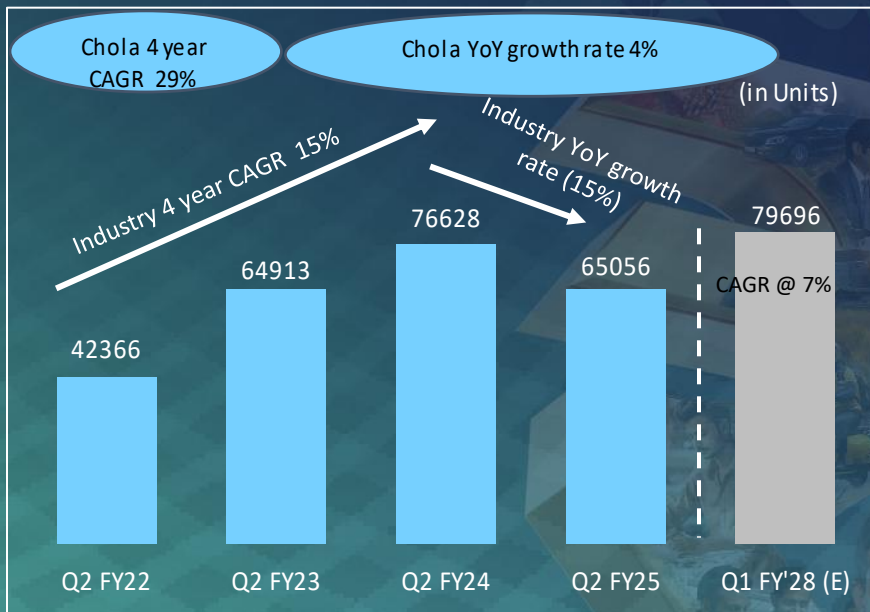


Trend in Domestic SCV Sales

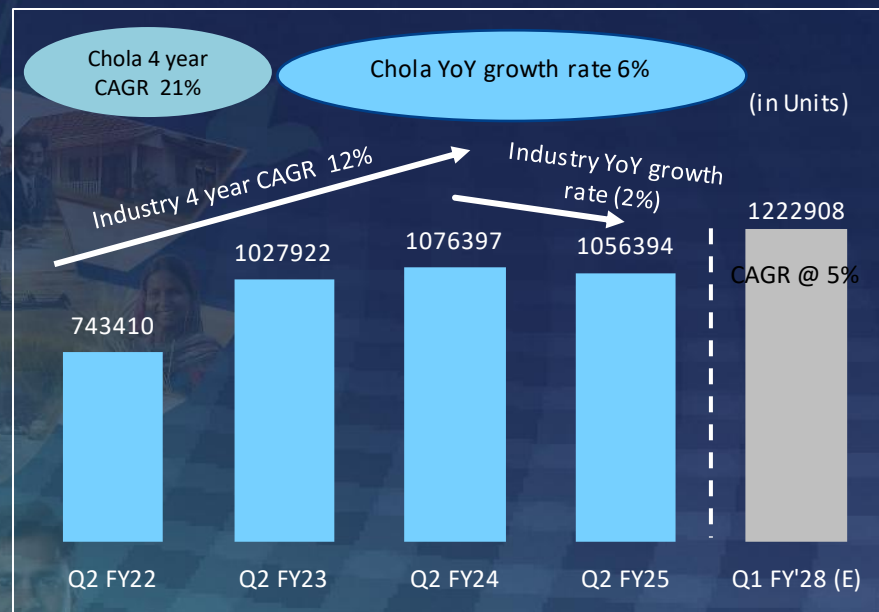


- Replacement demand, last-mile transport requirements and positive macroeconomic environment.
- Stronger demand from consumption driven sectors and E-commerce based companies.
- Demand for Pickups to increase in the long term due to higher flexibility in usage over sub one tonne vehicles.
- Bus Sales to be supported by growing urban population, demand from schools/ corporates and increased inter-city travel.

Trend in Domestic HCV Sales



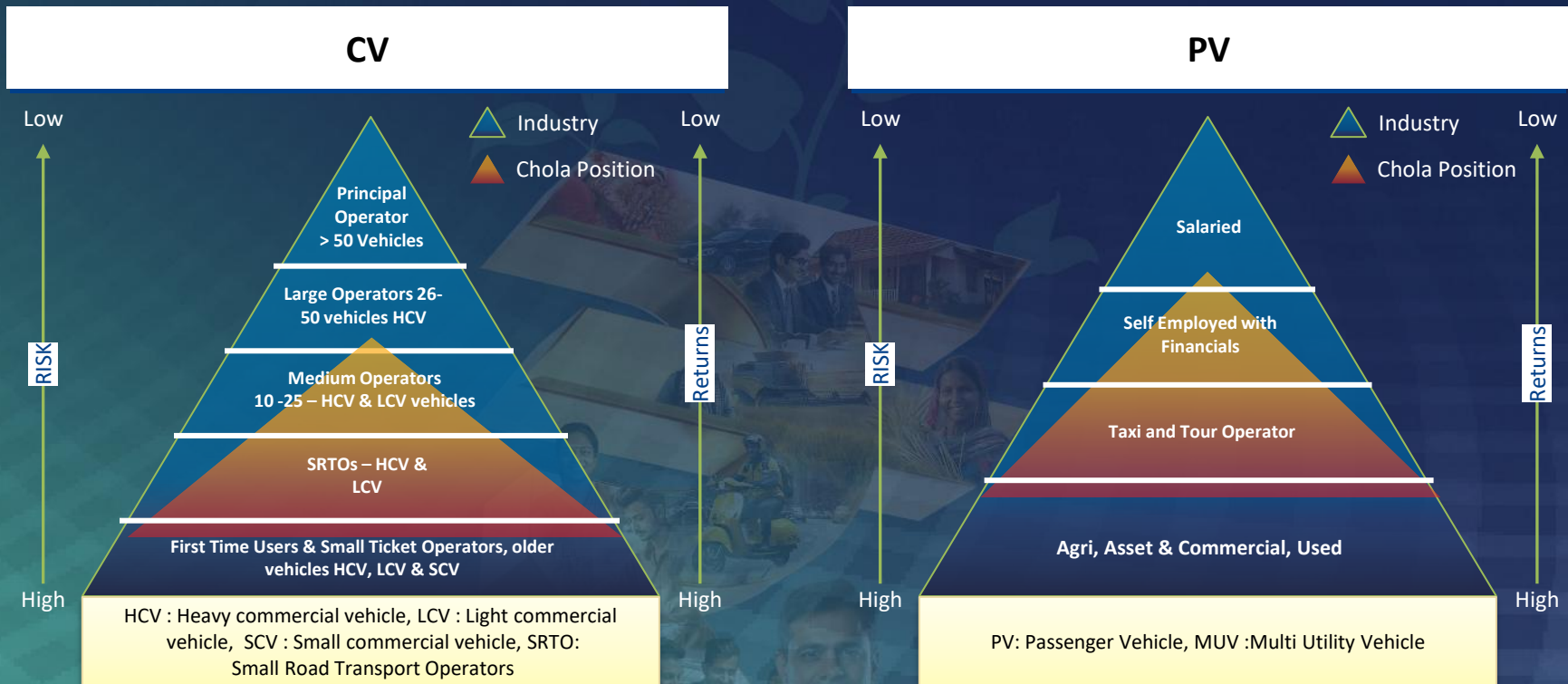
Trend in Domestic Car & MUV Sales



- Improved industrial activity, steady agricultural output and the government’s focus on infrastructure will aid growth.
- Pick up in construction and mining activities over the long term would drive demand.

- Higher disposable income and introduction of newer models to aid long term demand.
- Increase in rural demand and growing penetration in tier III, tier IV towns will back stable growth.

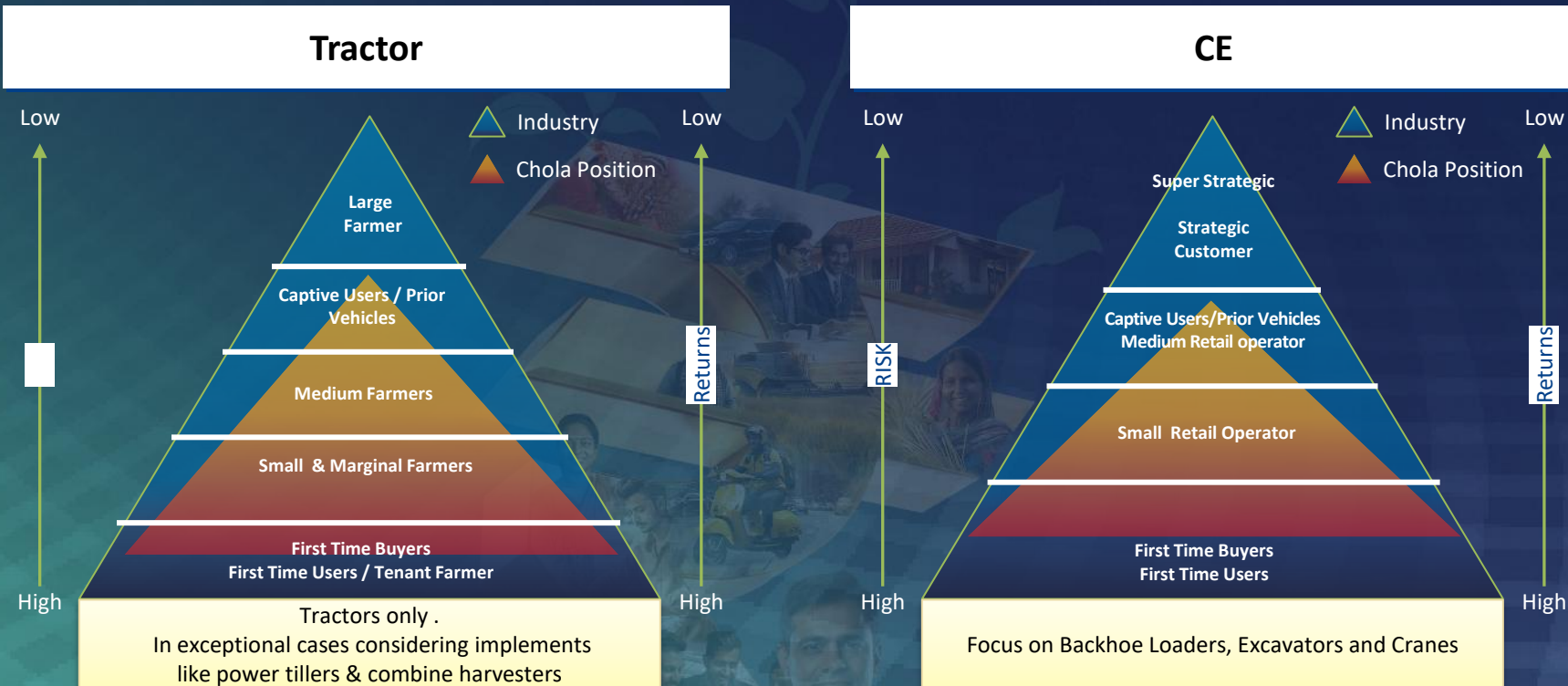
Vehicle Finance—Business Model & Positioning



- ~65% of disbursements are to micro & small enterprises and agri -based customer segment
- Chola positioning-
 - Middle of the pyramid through New CVs, Used CVs
 - Top of the Bottom of the pyramid through SCV & older CVs Shubh

- ~ 66% of disbursements are to Chola Existing, Agri & Commercial usage customers
- ~ 34% disbursements are to Self Employed with financials
- Chola positioning-
 - Middle of the pyramid is into Agri, Asset & Commercial

Vehicle Finance—Business Model & Positioning

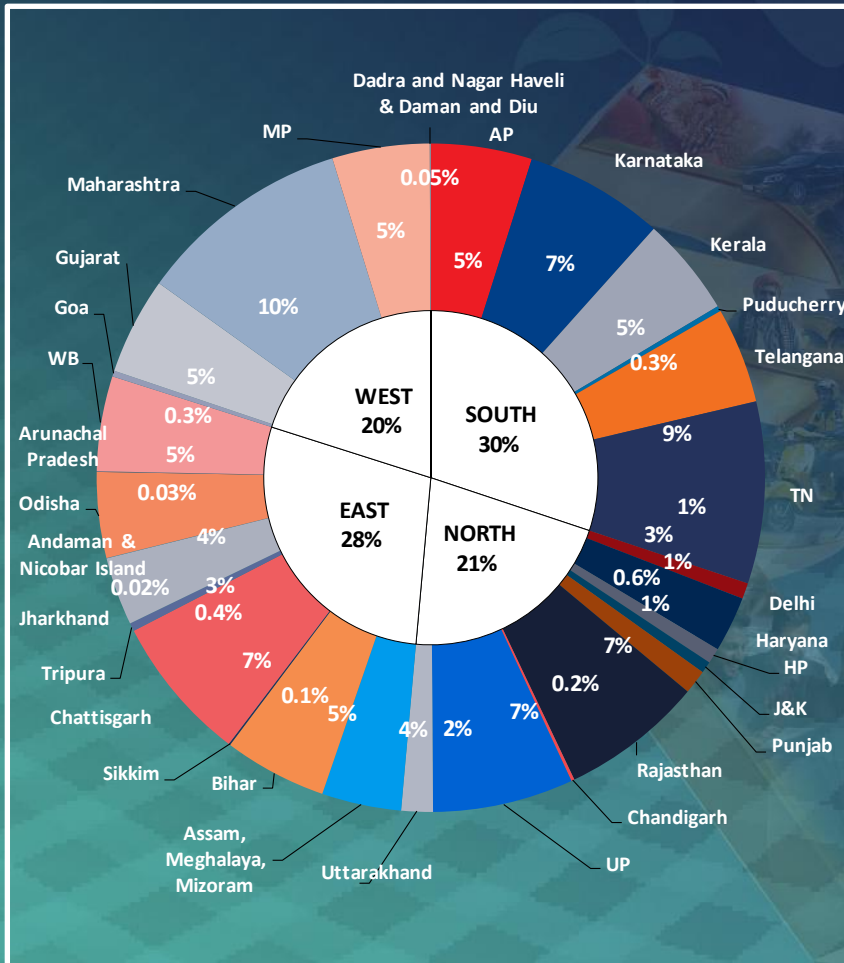


- ~65% of disbursements are to agri -based customer segment
- Application -
 - Agri usage
 - Commercial usage
 - Agri and Commercial usage
- New & Used

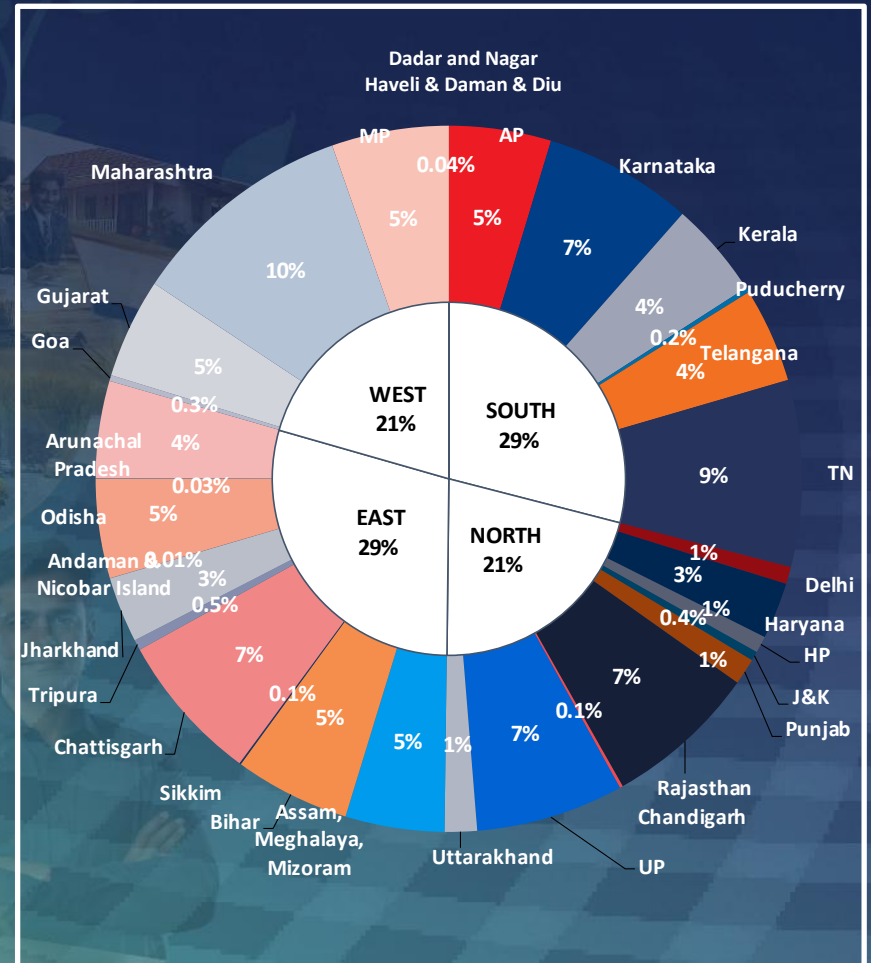
- ~ 69% of disbursements are to retail customer segment
- Application –
 - Captive
 - Hiring
- New & Used

Well diversified across geography

Disbursements - State wise

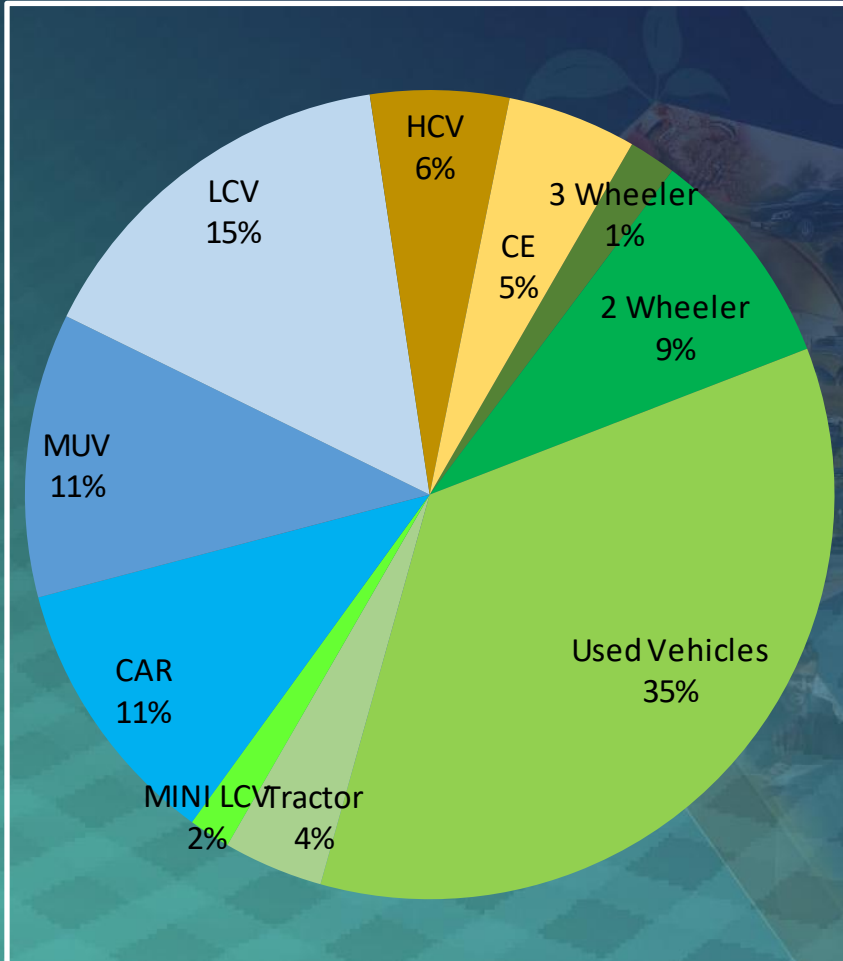


Portfolio - State wise

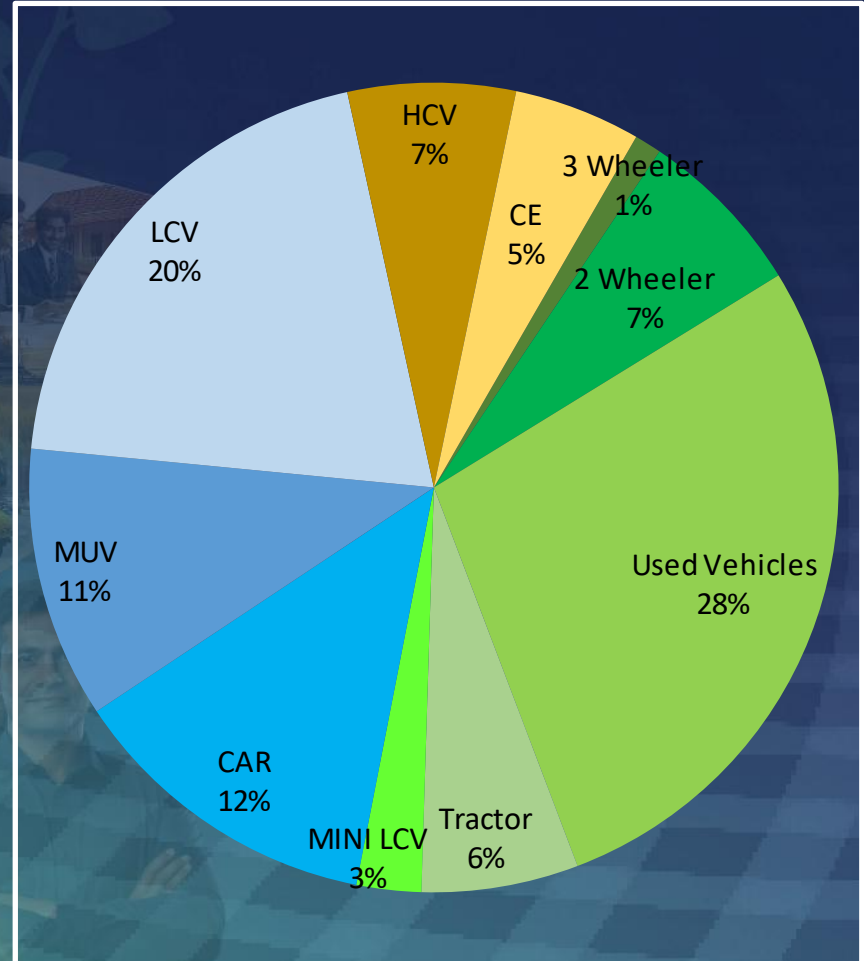


Well diversified product segments

Disbursements (%) - Product wise



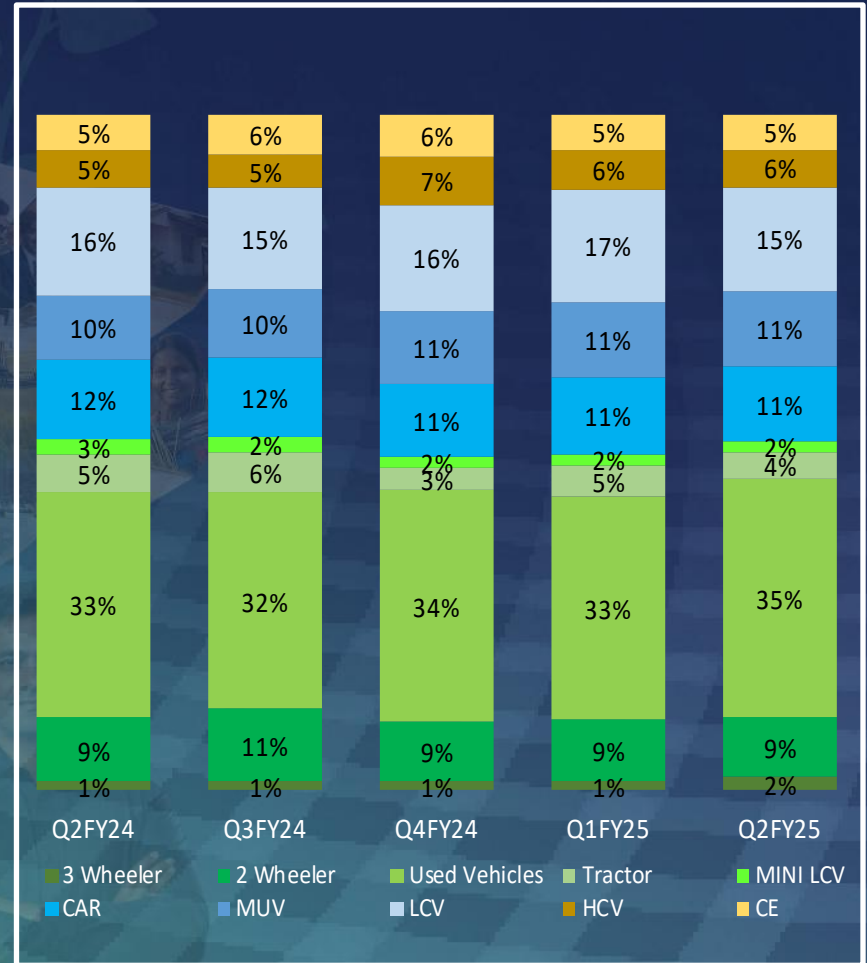
Portfolio (%) - Product wise



Disbursement (₹Cr) - Product wise



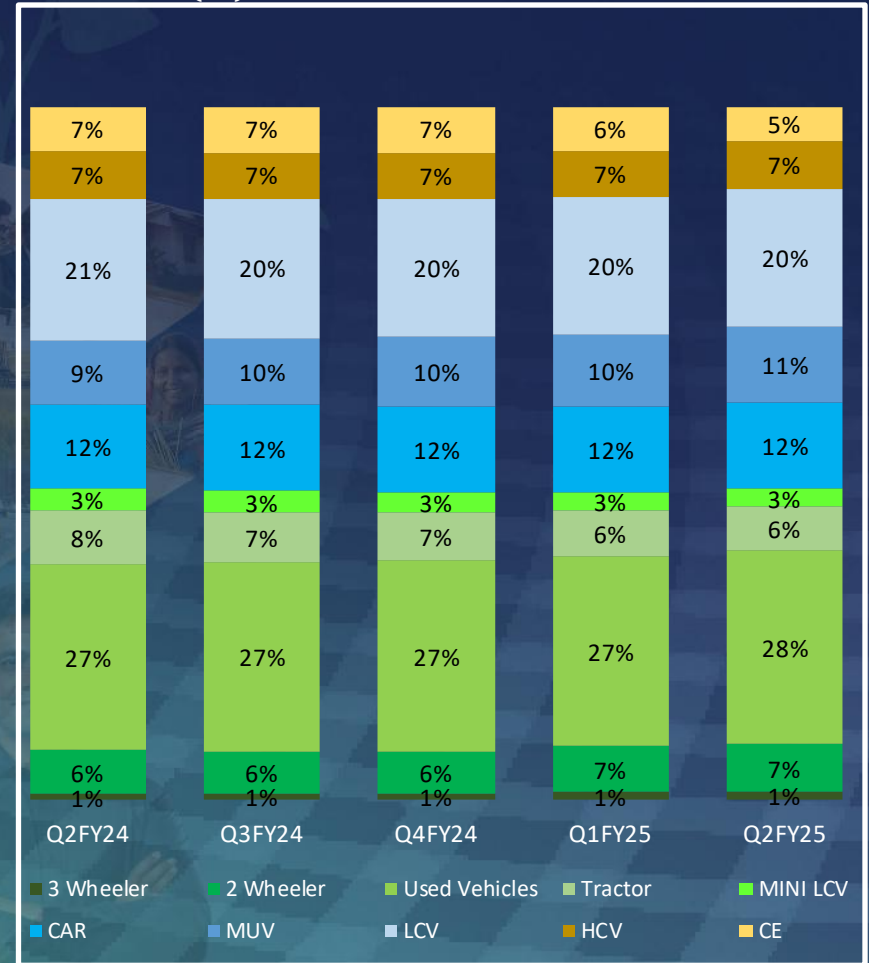
Disbursement (%) – Product wise



Portfolio (₹Cr) - Product wise

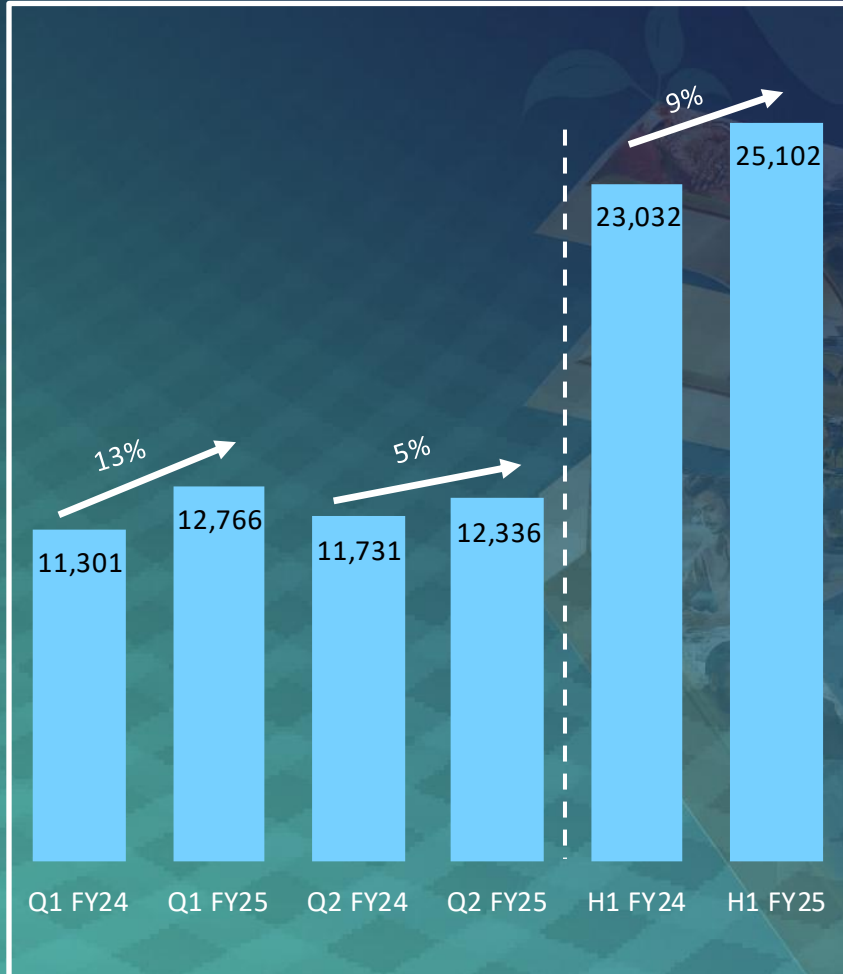


Portfolio (%) – Product wise

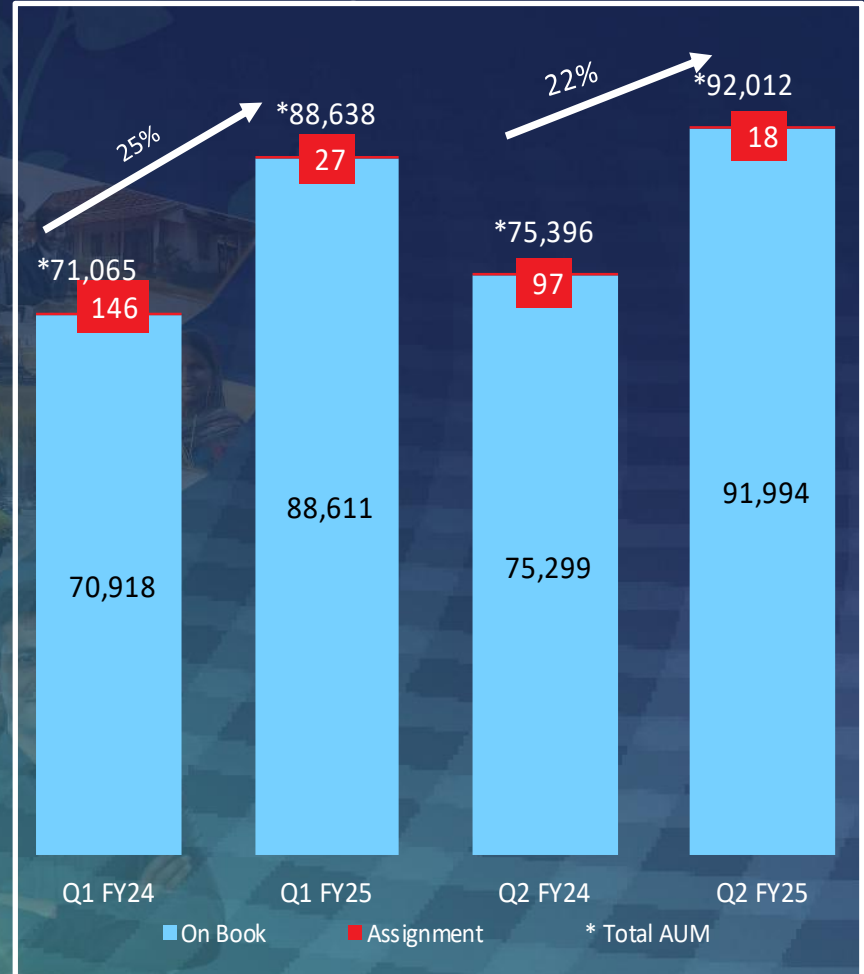


Vehicle Finance - Disbursements and Asset Under Management

Disbursements (₹Cr)

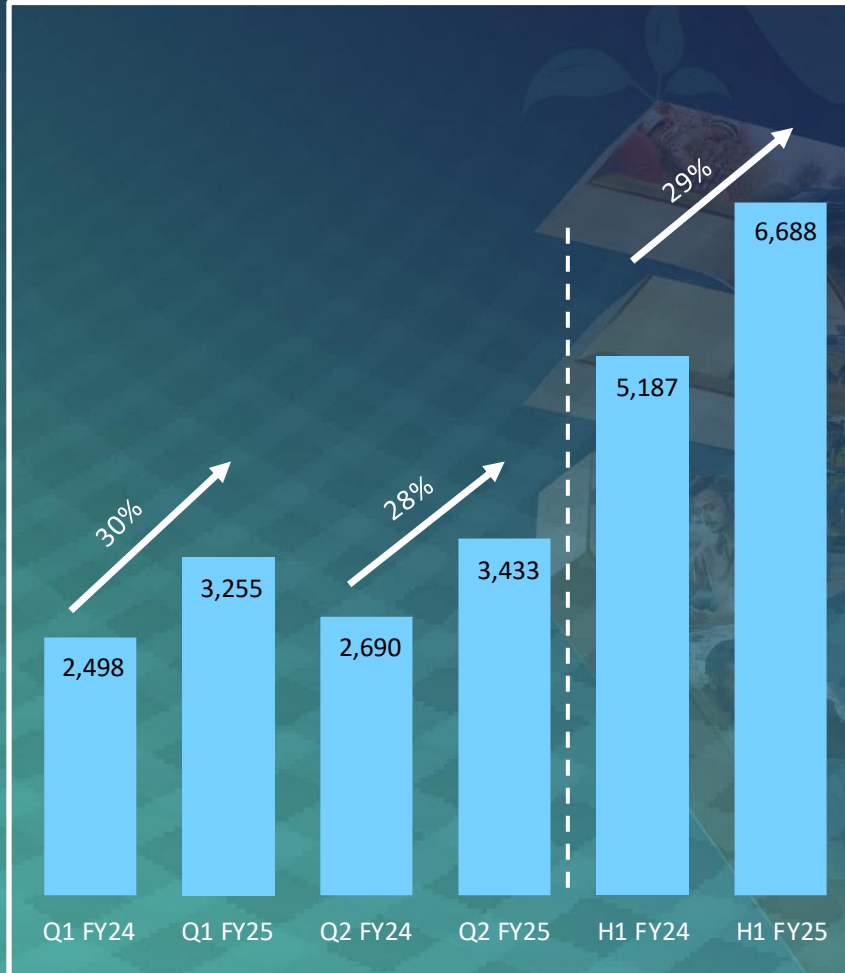


Assets under management (₹Cr)

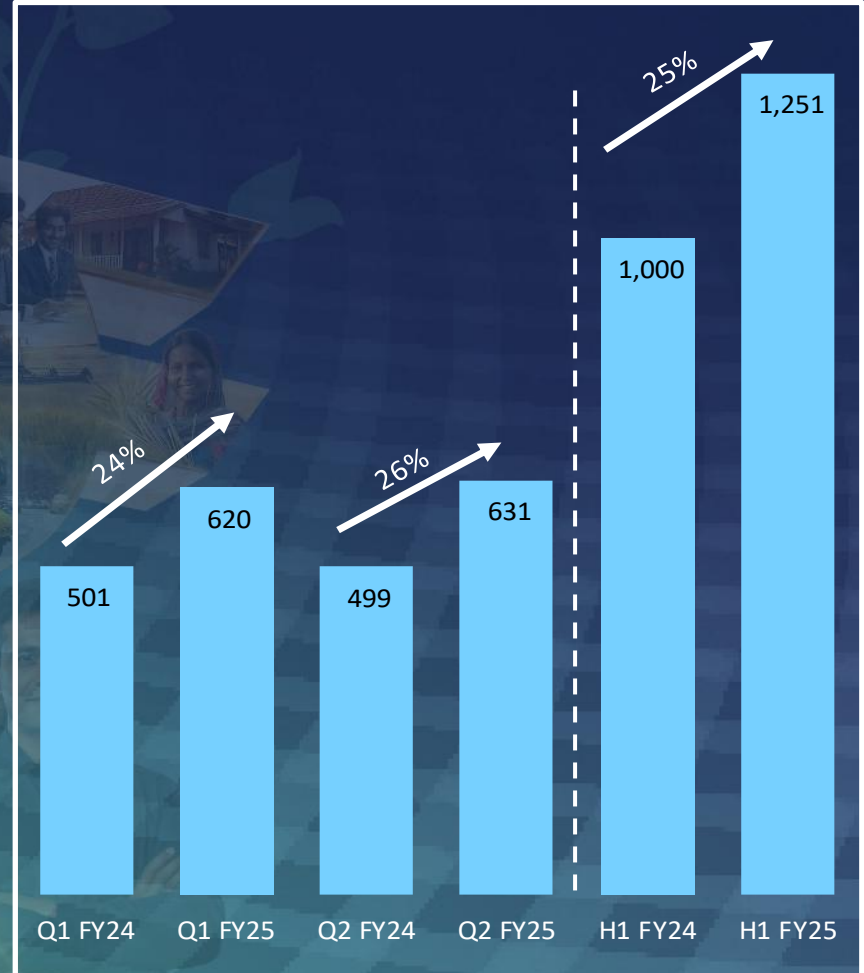


Vehicle Finance - Income and Profit before tax

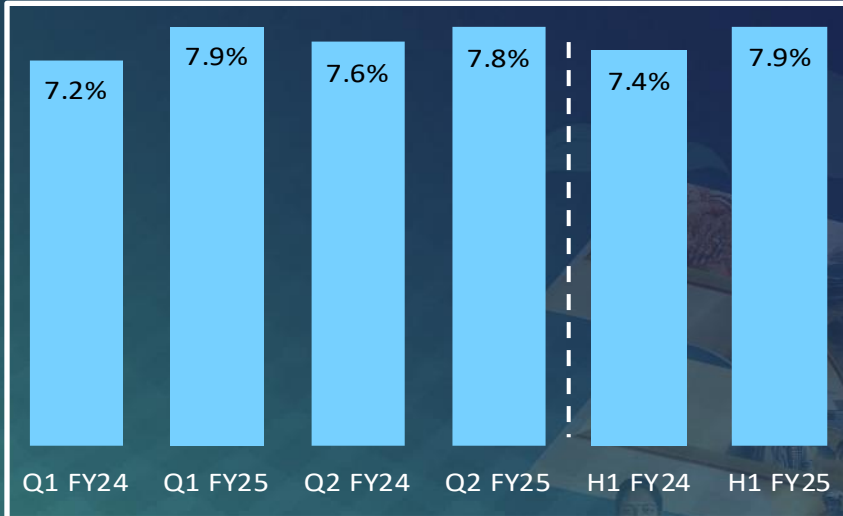
Income (₹Cr)



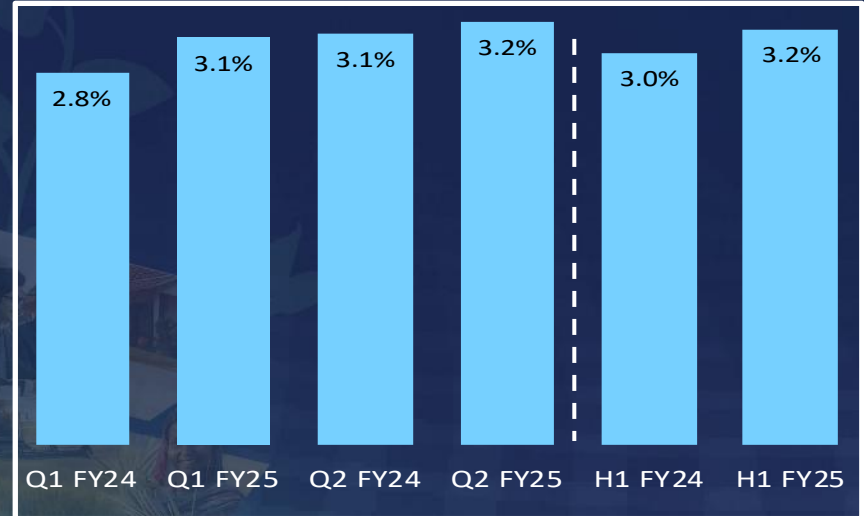
Profit before tax (₹Cr)



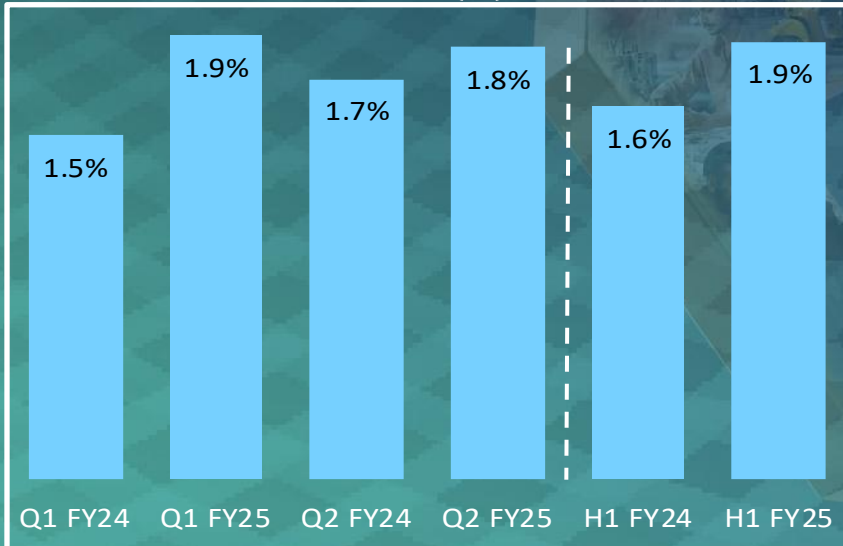
Net Income Margin (%)



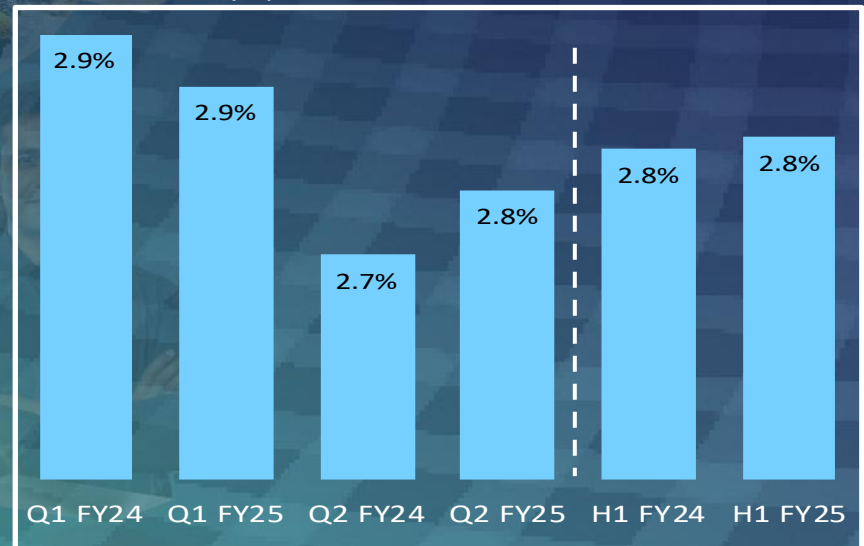
Expense Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)



Profit and Loss Statement - Vehicle Finance (Managed)

₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2 FY24	Q2 FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	11,301	12,766	11,731	12,336	5%	23,032	25,102	9%
Asset Under Management	71,065	88,638	75,396	92,012	22%	75,396	92,012	22%
Income	2,498	3,255	2,690	3,433	28%	5,187	6,688	29%
Finance Charges	1,258	1,558	1,300	1,650	27%	2,558	3,208	25%
Net Income	1,239	1,697	1,390	1,784	28%	2,629	3,481	32%
Expenses	489	672	579	737	27%	1,068	1,409	32%
Net Credit Losses	250	404	311	416	33%	561	820	46%
PBT	501	620	499	631	26%	1,000	1,251	25%
Asset Ratios								
Income	14.6%	15.1%	14.6%	15.1%		14.6%	15.1%	
Cost of Funds	7.3%	7.2%	7.1%	7.2%		7.2%	7.2%	
Net Income Margin	7.2%	7.9%	7.6%	7.8%		7.4%	7.9%	
Expense	2.8%	3.1%	3.1%	3.2%		3.0%	3.2%	
Losses & Provisions	1.5%	1.9%	1.7%	1.8%		1.6%	1.9%	
ROA-PBT	2.9%	2.9%	2.7%	2.8%		2.8%	2.8%	
Cost to Net Income	39.4%	39.6%	41.7%	41.3%		40.6%	40.5%	

Profit and Loss Statement - Vehicle Finance (On Book)

₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2 FY24	Q2 FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	11,301	12,766	11,731	12,336	5%	23,032	25,102	9%
Closing Assets (On B/S)	70,918	88,611	75,299	91,994	22%	75,299	91,994	22%
Income	2,491	3,254	2,684	3,434	28%	5,175	6,688	29%
Finance Charges	1,254	1,557	1,297	1,649	27%	2,551	3,207	26%
Net Income	1,237	1,697	1,387	1,785	29%	2,624	3,481	33%
Expenses	489	672	579	737	27%	1,068	1,409	32%
Net Credit Losses	250	404	311	416	33%	561	820	46%
PBT	499	620	496	632	27%	995	1,252	26%
Asset Ratios								
Income	14.6%	15.1%	14.6%	15.1%		14.6%	15.1%	
Cost of Funds	7.3%	7.2%	7.1%	7.2%		7.2%	7.2%	
Net Income Margin	7.2%	7.9%	7.5%	7.8%		7.4%	7.9%	
Expense	2.9%	3.1%	3.2%	3.2%		3.0%	3.2%	
Losses & Provisions	1.5%	1.9%	1.7%	1.8%		1.6%	1.9%	
ROA-PBT	2.9%	2.9%	2.7%	2.8%		2.8%	2.8%	
Cost to Net Income	39.5%	39.6%	41.8%	41.3%		40.7%	40.5%	

Loan Against Property



Loan Against Property – Q2FY25 & H1FY25 Performance

Disbursements

- Disbursements grew by 35% in Q2FY25 to Rs. 4,295 Cr as compared to Q2FY24 and by 39% in H1FY25 to Rs.8,170 as compared to H1FY24.

Asset under management

- AUM has grown by 41% YoY.

Loss and provisions

- Loan losses at 0.1% in Q2FY25 and H1FY25 from -0.1% in Q2FY24 and H1FY24.

Profit before tax

- PBT by 26% in Q2FY25 to Rs. 295 Cr as compared to Q2FY24 and by 28% in H1FY25 to Rs.587 as compared to H1FY24.

Sector Outlook

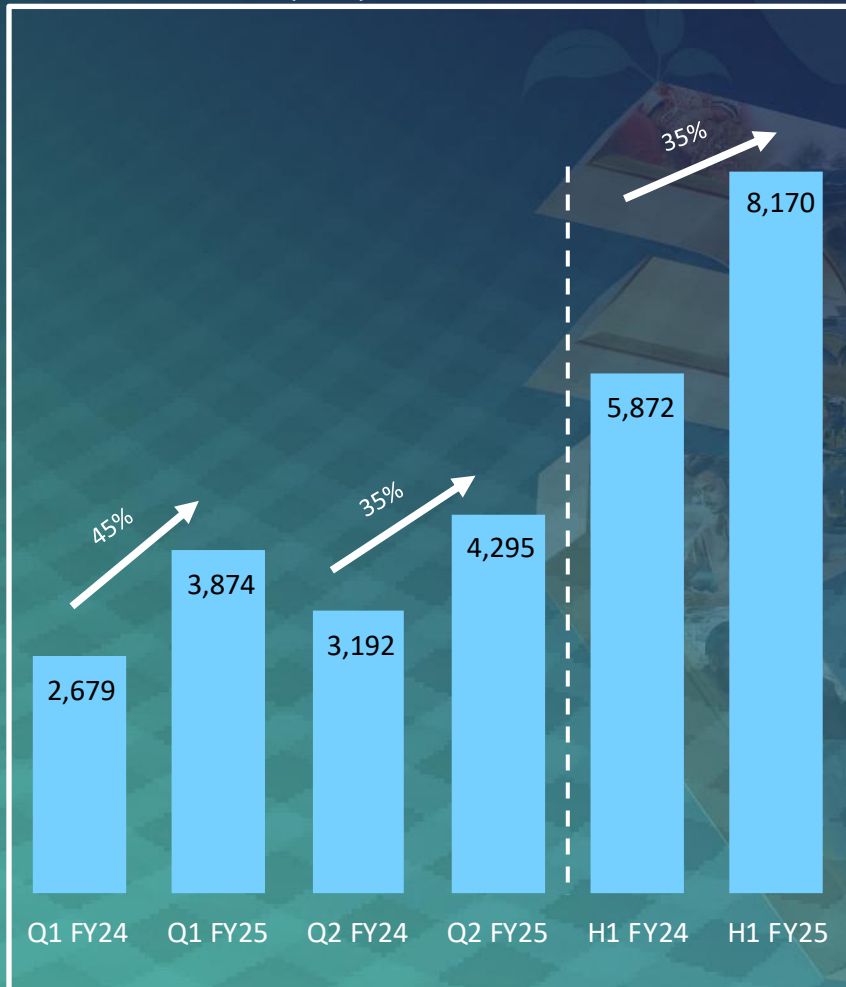
- Care rating expects NBFC overall credit to grow at 17% for FY25 due to funding constraints. While LAP segment is poised to grow at 22-24% in the same year as per CRISIL MI&A Research.
- ICRA Research forecasts that Small ticket LAP (<15 lacs ticket size) loans by NBFCs are poised to expand at a healthy 20-25% over the next 5 years, on back of a large unmet credit demand in the country.
- CRISIL Market Intelligence & Analytics Report on NBFC sector expects asset quality of MSME segment to remain range bound in near term, given the stress in asset quality during the previous years

Chola's Position

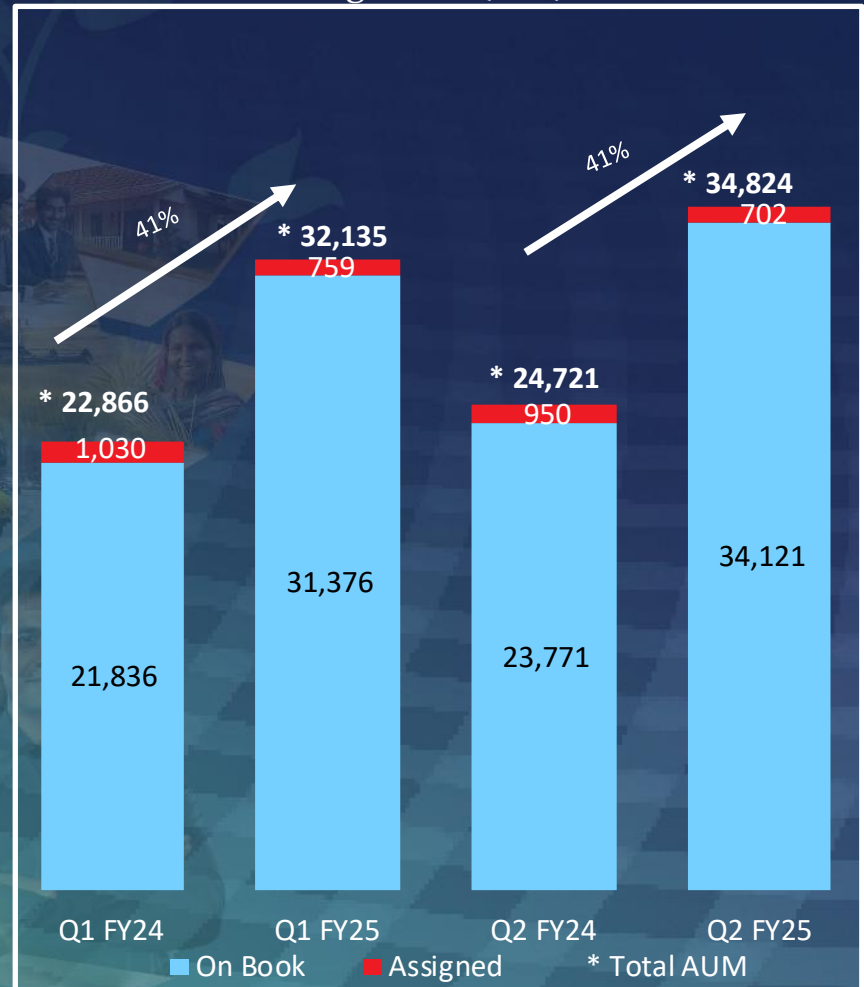
- We continue to focus on retail customers especially in smaller towns and rural areas. The key focus is to increase market share backed by consistent disbursement growth and collections.
- We are capitalizing on Chola's pan India geographical presence by going wide in Tier III and Tier IV markets to improve margins, while continuing to hold significant presence in Tier I and Tier II markets.
- Our asset quality has shown steady improvement due to our strengthened collection & legal process. The stage 3 book has shown a consistent improvement.

Loan Against Property - Disbursements and Asset Under Management

Disbursements (₹Cr)

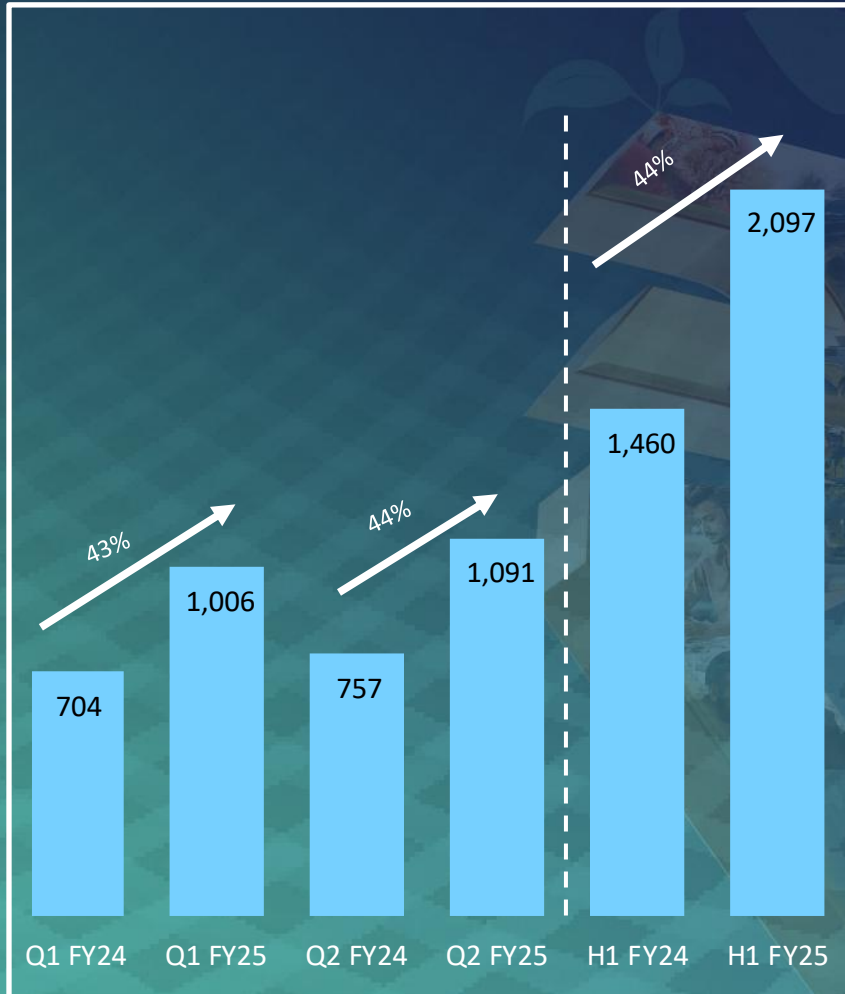


Assets under Management (₹Cr)



Loan Against Property – Income and Profit before tax

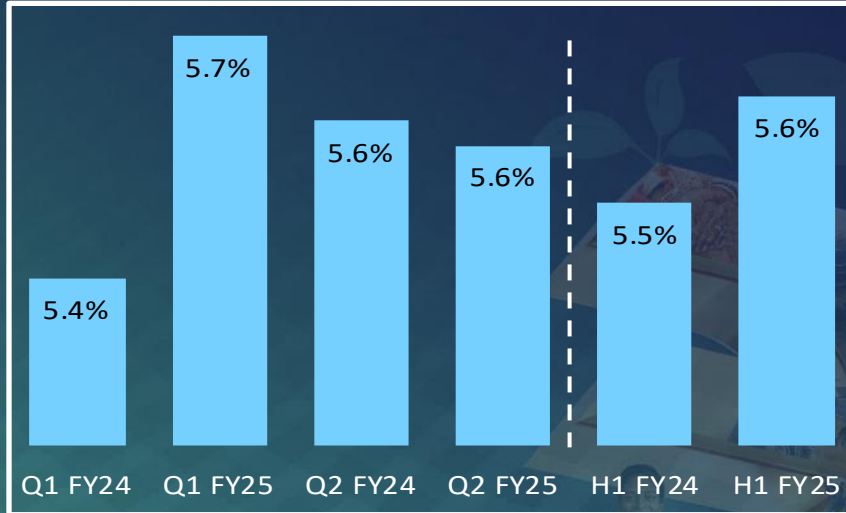
Income (₹Cr)



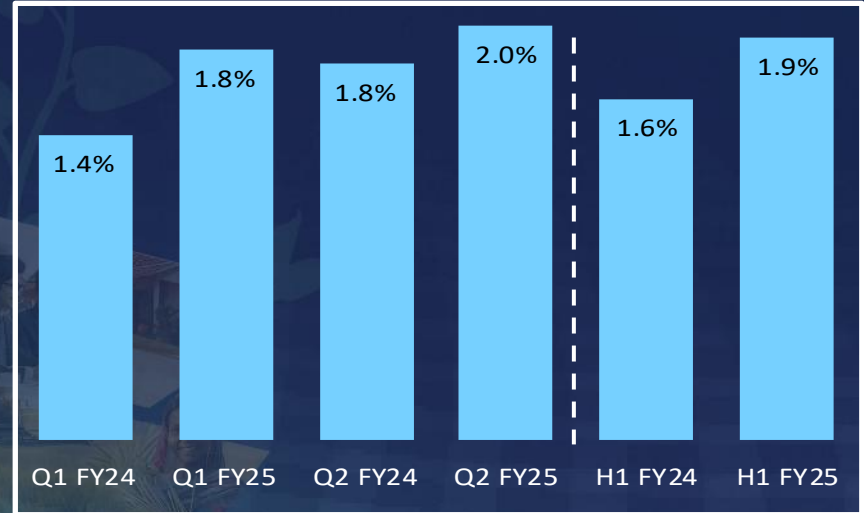
Profit before tax (₹Cr)



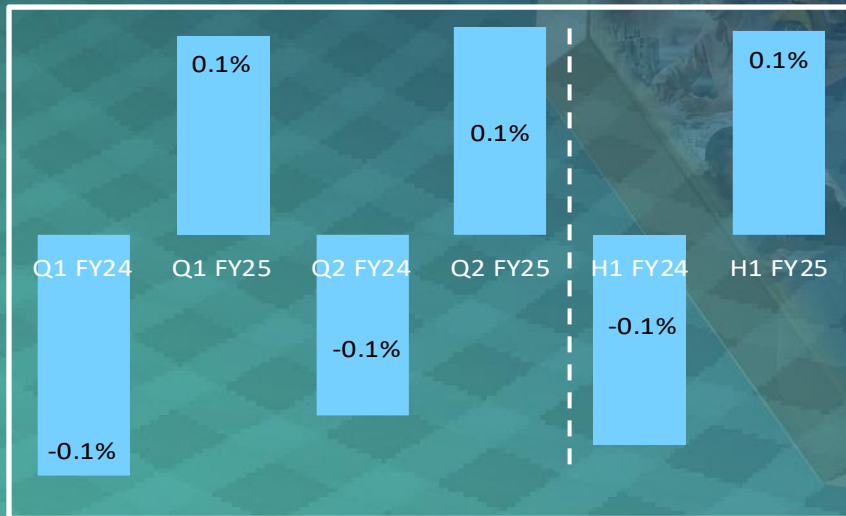
Net Income Margin (%)



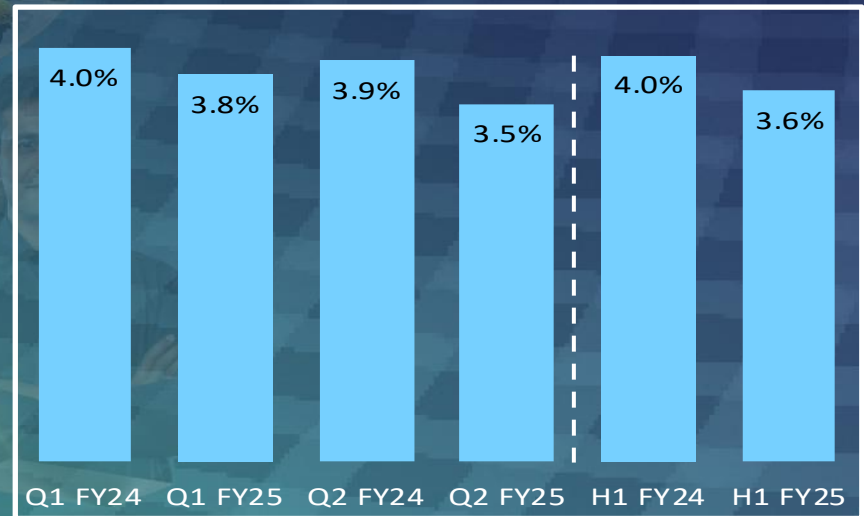
Expenses Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)



Profit and Loss Statement - Loan Against Property (Managed)

₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2 FY24	Q2 FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	2,679	3,874	3,192	4,295	35%	5,872	8,170	39%
Asset Under Management	22,866	32,135	24,721	34,824	41%	24,721	34,824	41%
Income	704	1,006	757	1,091	44%	1,460	2,097	44%
Finance Charges	408	563	422	622	47%	829	1,185	43%
Net Income	296	443	335	469	40%	631	912	45%
Expenses	80	142	106	165	55%	186	308	65%
Net Credit Losses	-7	8	-6	9	262%	-13	18	-236%
PBT	224	292	234	295	26%	458	587	28%
Asset Ratios								
Income	12.7%	13.0%	12.7%	12.9%		12.7%	13.0%	
Cost of Funds	7.4%	7.3%	7.1%	7.4%		7.2%	7.3%	
Net Income Margin	5.4%	5.7%	5.6%	5.6%		5.5%	5.6%	
Expense	1.4%	1.8%	1.8%	2.0%		1.6%	1.9%	
Losses & Provisions	-0.1%	0.1%	-0.1%	0.1%		-0.1%	0.1%	
ROA-PBT	4.0%	3.8%	3.9%	3.5%		4.0%	3.6%	
Cost to Net Income	26.9%	32.2%	31.8%	35.2%		29.5%	33.7%	

Profit and Loss Statement - Loan Against Property (On Book)

₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2FY24	Q2FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	2,679	3,874	3,192	4,295	35%	5,872	8,170	39%
Closing Assets (On B/S)	21,836	31,376	23,771	34,121	44%	23,771	34,121	44%
Income	672	986	715	1,065	49%	1,387	2,051	48%
Finance Charges	384	545	399	604	51%	783	1,149	47%
Net Income	288	441	317	461	45%	604	902	49%
Expenses	80	142	106	165	55%	186	307	65%
Net Credit Losses	-7	8	-6	9	262%	(13)	18	236%
PBT	215	291	216	286	32%	431	577	34%
Asset Ratios								
Income	12.8%	13.1%	12.5%	12.9%		12.6%	13.0%	
Cost of Funds	7.3%	7.2%	7.0%	7.3%		7.1%	7.3%	
Net Income Margin	5.5%	5.9%	5.5%	5.6%		5.5%	5.7%	
Expense	1.5%	1.9%	1.9%	2.0%		1.7%	1.9%	
Losses & Provisions	-0.1%	0.1%	-0.1%	0.1%		-0.1%	0.1%	
ROA-PBT	4.1%	3.9%	3.8%	3.5%		3.9%	3.7%	
Cost to Net Income	27.7%	32.3%	33.6%	35.8%		30.8%	34.1%	

Home Loans



Home Loans – Q1FY25 & H1FY25 Performance

Disbursements

- Disbursements grew by 16% in Q2FY25 to Rs. 1,823 Cr as compared to Q2FY24 and by 19% in H1FY25 to Rs.3,601 Cr as compared to H1FY25.

Asset under management

- AUM have grown by 47% YoY.

Loss and provisions

- Loan losses maintained at 0.4% in Q2FY25 as compared to Q2FY24 and at 0.3% in H1FY25 as compared to 0.2% in H1FY24.

Profit before tax

- PBT grew by 79% in Q2FY25 to Rs. 171 Cr as compared to Q2FY24 and by 83% in H1FY25 to Rs.334 Cr as compared to H1FY25.

Sector Outlook

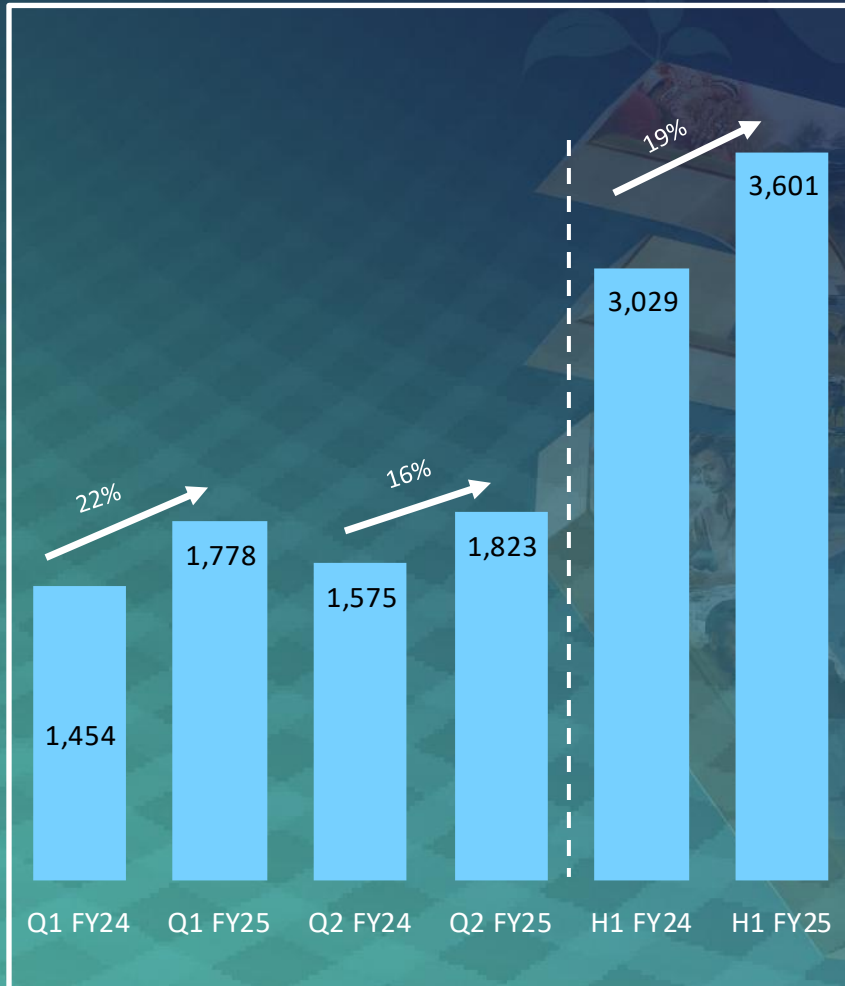
- The underpenetrated market and the government's thrust on "Housing for all" are likely to support growth going forward. On-book portfolio of AHFCs are expected to grow by 22-24% in FY2025.
- GNPA's of AHFCs improved marginally in FY2024; marginal uptick is expected as portfolio seasons. Good collection efficiency is likely to keep delinquencies range-bound.
- Overall cost of funds is expected to remain high due to the impact of the elevated systemic rates. As entities continue to expand their network, the operating ratios will remain elevated but shall stabilize at the current levels.

Chola's Position

- Chola continues to leverage its strength in penetrating to smallest villages and towns. Chola will focus on penetrating untapped rural areas across India and provide accessibility to home loans for all.
- Chola continues to pursue legal recovery for the higher bucket portfolio & is also continuously improving collection efficiencies through advanced analytics & digital-led collections.
- Chola continues to pursue profitable growth through deep tier expansion with focus on low-cost branch operating model, process optimizations, & elimination of inefficiencies across all functions to ensure margins are sustained. Chola will focus on optimizing profitability through differential pricing model based on customer risk profiling.

Home Loans - Disbursements and Asset Under Management

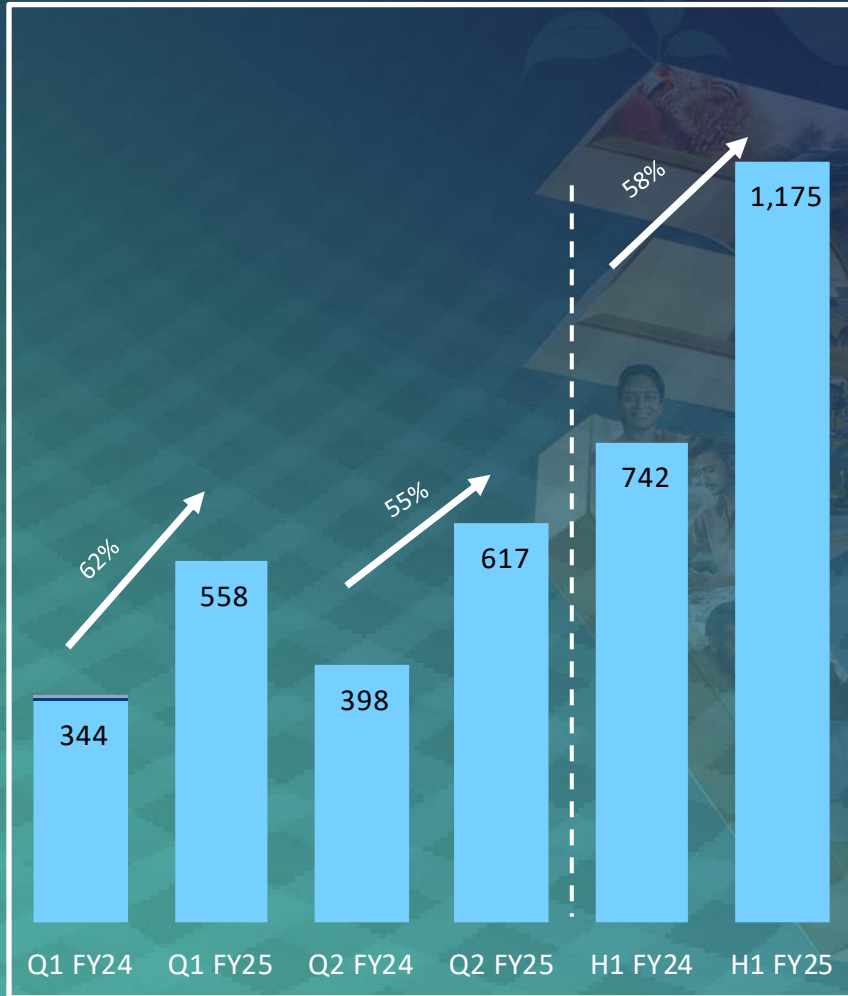
Disbursements (₹Cr)



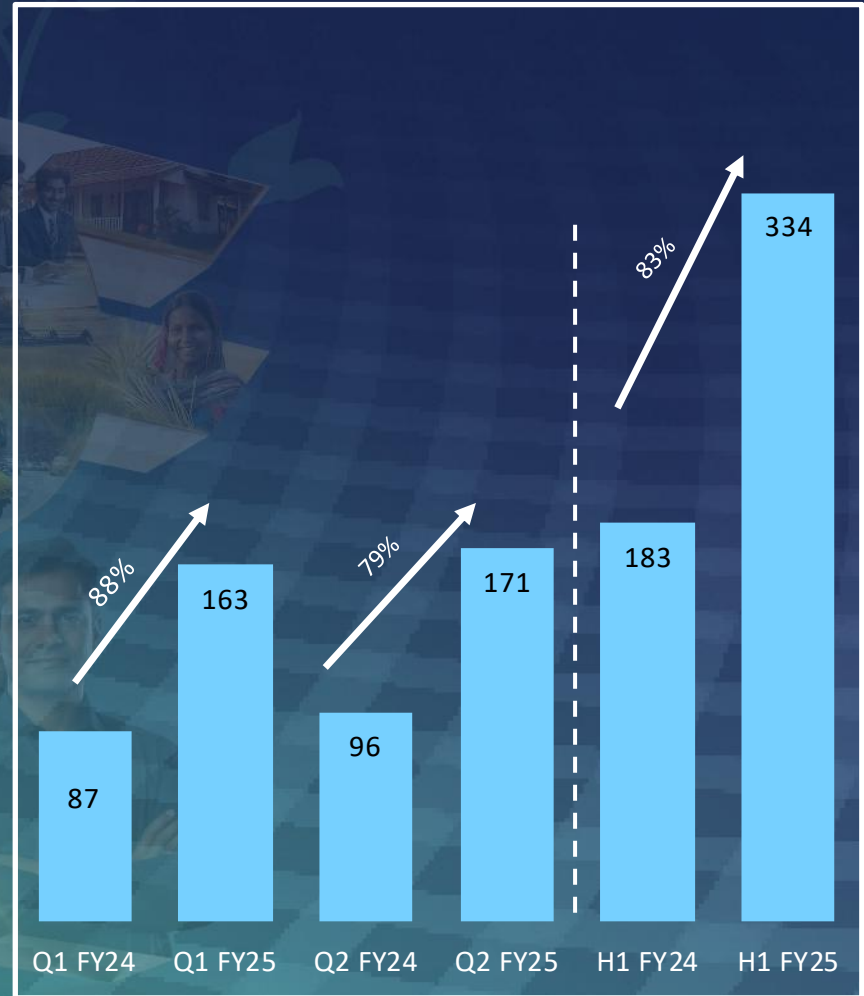
Assets under Management (₹Cr)



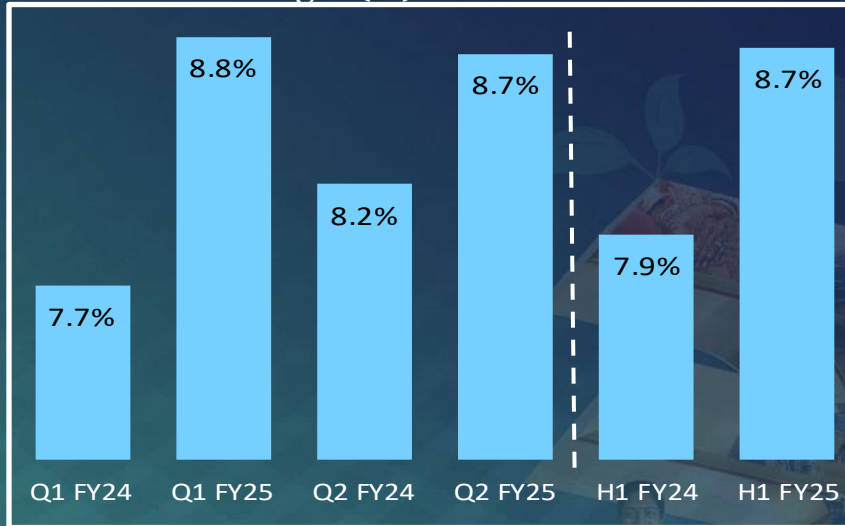
Income (₹Cr)



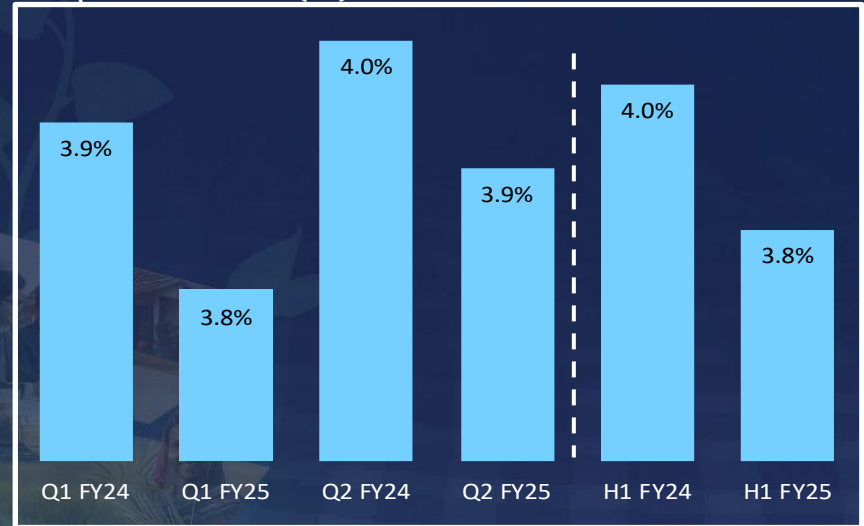
Profit before tax (₹Cr)



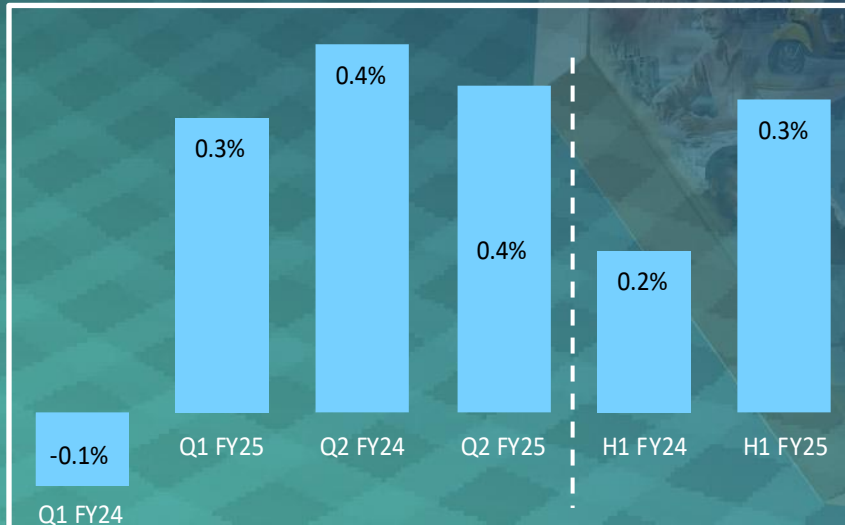
Net Income Margin (%)



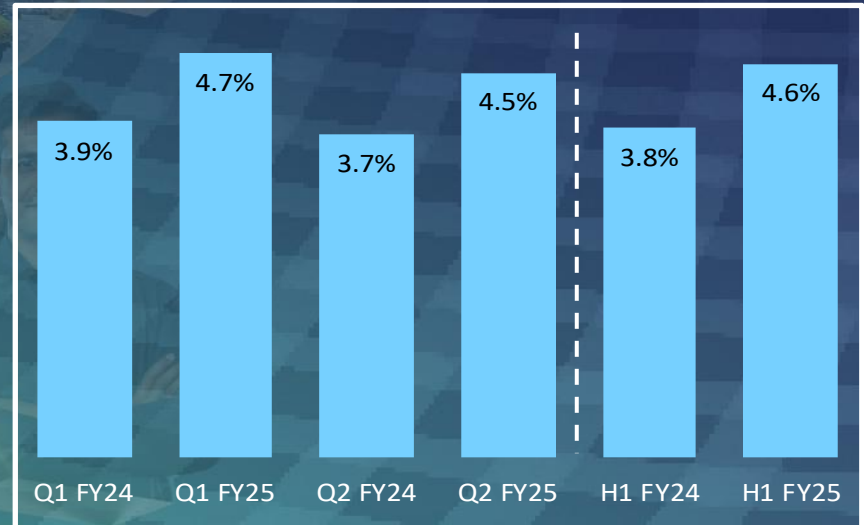
Expenses Ratio (%)



Loan Losses & Provisions (%)



ROA - PBT (%)



Profit and Loss Statement - Home Loans (Managed)

₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2 FY24	Q2 FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	1,454	1,778	1,575	1,823	16%	3,029	3,601	19%
Asset Under Management	9,528	14,565	10,801	15,892	47%	10,801	15,892	47%
Income	344	558	398	617	55%	742	1,175	58%
Finance Charges	171	253	190	283	49%	361	536	49%
Net Income	173	306	208	334	60%	381	639	68%
Expenses	88	131	102	149	46%	190	280	47%
Net Credit Losses	-2	11	10	14	34%	9	25	195%
PBT	87	163	96	171	79%	183	334	83%
Asset Ratios								
Income	15.4%	16.0%	15.6%	16.1%		15.5%	16.0%	
Cost of Funds	7.7%	7.3%	7.4%	7.4%		7.5%	7.3%	
Net Income Margin	7.7%	8.8%	8.2%	8.7%		7.9%	8.7%	
Expense	3.9%	3.8%	4.0%	3.9%		4.0%	3.8%	
Losses & Provisions	-0.1%	0.3%	0.4%	0.4%		0.2%	0.3%	
ROA-PBT	3.9%	4.7%	3.7%	4.5%		3.8%	4.6%	
Cost to Net Income	50.8%	42.9%	49.1%	44.6%		49.8%	43.8%	

Profit and Loss Statement - Home Loans (On Book)

₹ Cr

Particulars	Q1 FY24	Q1 FY25	Q2 FY24	Q2 FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Disbursements	1,454	1,778	1,575	1,823	16%	3,029	3,601	19%
Closing Assets (On B/S)	9,115	14,224	10,409	15,566	50%	10,409	15,566	50%
Income	331	547	383	605	58%	714	1,151	61%
Finance Charges	162	245	181	275	52%	343	520	52%
Net Income	169	302	202	329	63%	371	631	70%
Expenses	88	131	102	149	46%	190	280	48%
Net Credit Losses	(2)	11	10	14	34%	9	25	195%
PBT	83	159	90	166	85%	173	326	88%
Asset Ratios								
Income	15.6%	16.1%	15.6%	16.1%		15.6%	16.1%	
Cost of Funds	7.6%	7.2%	7.4%	7.3%		7.5%	7.3%	
Net Income Margin	7.9%	8.9%	8.3%	8.8%		8.1%	8.8%	
Expense	4.1%	3.9%	4.2%	4.0%		4.1%	3.9%	
Losses & Provisions	-0.1%	0.3%	0.4%	0.4%		0.2%	0.4%	
ROA-PBT	3.9%	4.7%	3.7%	4.4%		3.8%	4.6%	
Cost to Net Income	51.9%	43.4%	50.5%	45.3%		51.1%	44.4%	

NEW BUSINESSES



Particulars	Q1FY24	Q1FY25	Q2FY24	Q2FY25	Growth % Q2-o-Q2	H1FY24	H1FY25	Growth % H1-o-H1
Disbursements	2,355	3,486	2,853	3,588	26%	5,207	7,075	36%
Asset Under	6,866	12,909	8,486	14,175	67%	8,486	14,175	67%
Income	343	613	394	690	75%	737	1,303	77%
Finance Charges	133	223	159	250	57%	292	473	62%
Net Income	210	390	235	440	87%	445	830	86%
Expenses	76	145	109	167	53%	185	312	69%
Net Credit Losses	82	144	80	172	116%	162	316	95%
PBT	52	101	46	100	118%	98	201	105%
Asset Ratios								
Income	22.3%	20.2%	20.4%	20.2%		21.2%	20.2%	
Cost of Funds	8.6%	7.4%	8.2%	7.3%		8.4%	7.4%	
Net Income Margin	13.7%	12.9%	12.2%	12.9%		12.8%	12.9%	
Expense	4.9%	4.8%	5.6%	4.9%		5.3%	4.8%	
Losses & Provisions	5.3%	4.7%	4.1%	5.0%		4.7%	4.9%	
ROA–PBT	3.4%	3.3%	2.4%	2.9%		2.8%	3.1%	
Cost to Net Income	36.1%	37.2%	46.4%	38.0%		41.5%	37.6%	

Note :

- FLDG recovery is part of Other Income in FY24.
- CSEL loan losses in FY 24 is before FLDG recovery which is around 1%.

Particulars	Q1FY24	Q1FY25	Q2FY24	Q2FY25	Growth % Q2-o-Q2	H1FY24	H1FY25	Growth % H1-o-H1
Disbursements	2,045	2,160	1,945	1,959	1%	3,990	4,119	3%
Asset Under	3,860	5,576	4,006	5,877	47%	4,006	5,877	47%
Income	110	164	120	180	50%	230	344	50%
Finance Charges	76	99	75	111	48%	151	210	39%
Net Income	34	65	45	69	53%	80	134	69%
Expenses	17	29	24	34	42%	41	62	52%
Net Credit Losses	2	12	1	9	669%	3	21	603%
PBT	15	24	20	27	30%	36	51	42%
Asset Ratios								
Income	12.0%	12.5%	12.1%	12.5%		12.1%	12.5%	
Cost of Funds	8.2%	7.5%	7.6%	7.7%		7.9%	7.6%	
Net Income Margin	3.7%	4.9%	4.6%	4.8%		4.2%	4.9%	
Expense	1.9%	2.2%	2.4%	2.3%		2.1%	2.3%	
Losses & Provisions	0.2%	0.9%	0.1%	0.6%		0.2%	0.8%	
ROA–PBT	1.7%	1.8%	2.1%	1.8%		1.9%	1.9%	
Cost to Net Income	49.7%	43.9%	52.2%	48.4%		51.1%	46.2%	

₹ Cr

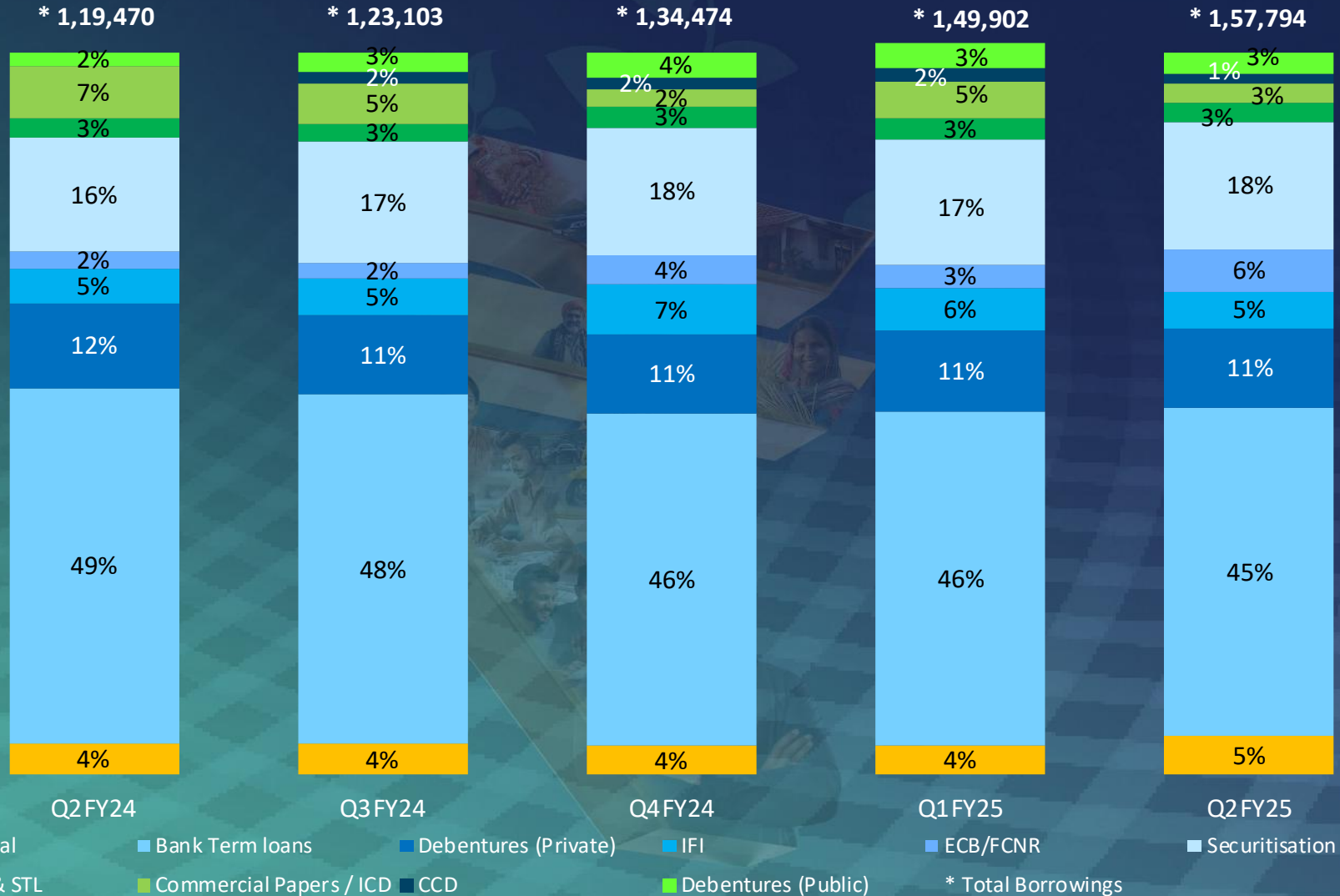
Particulars	Q1FY24	Q1FY25	Q2FY24	Q2FY25	Growth % Q2-o-Q2	H1FY24	H1FY25	Growth % H1-o-H1
Disbursements	182	268	246	312	27%	428	580	36%
Asset Under	611	1,618	836	1,863	123%	836	1,863	123%
Income	33	98	46	115	152%	79	213	171%
Finance Charges	11	28	15	33	113%	27	61	128%
Net Income	22	69	30	82	172%	52	152	193%
Expenses	20	37	27	43	59%	47	80	69%
Net Credit Losses	1	2	1	4	241%	2	7	273%
PBT	1	30	2	35	1715%	3	65	2242%
Asset Ratios								
Income	25.1%	26.0%	25.1%	26.2%		24.9%	26.1%	
Cost of Funds	8.7%	7.5%	8.4%	7.4%		8.5%	7.5%	
Net Income Margin	16.4%	18.4%	16.7%	18.8%		16.4%	18.6%	
Expense	15.3%	9.7%	14.9%	9.8%		15.0%	9.8%	
Losses & Provisions	0.4%	0.6%	0.7%	1.0%		0.6%	0.8%	
ROA–PBT	0.7%	8.1%	1.1%	7.9%		0.9%	8.0%	
Cost to Net Income	93.6%	52.8%	89.4%	52.4%		91.2%	52.6%	

Funding Profile



Diversified Borrowings Profile (I/II)

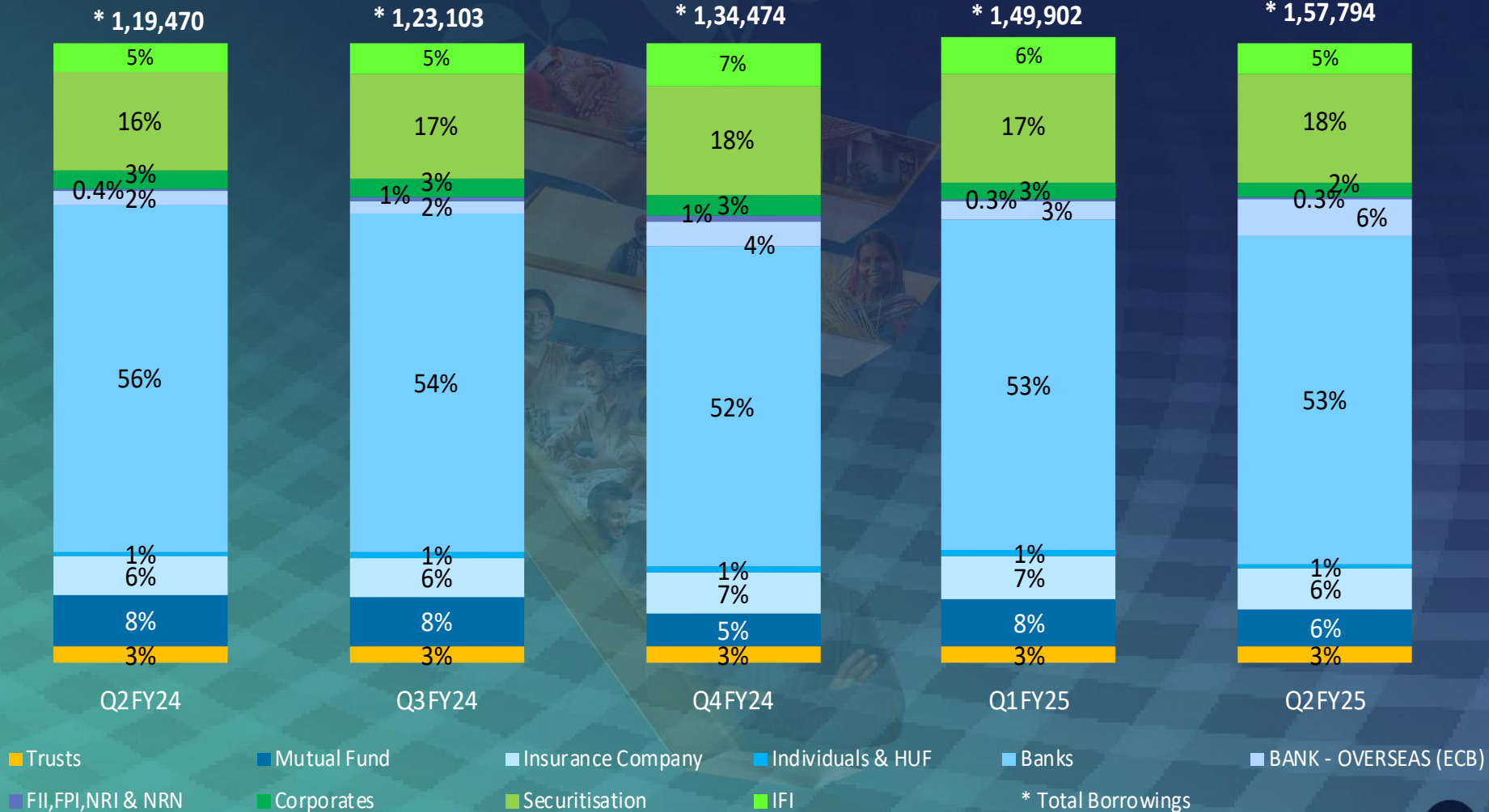
Borrowing mix by instrument type



CCD – Compulsory Convertible Debentures

Borrowing mix by investor type

(₹Cr)

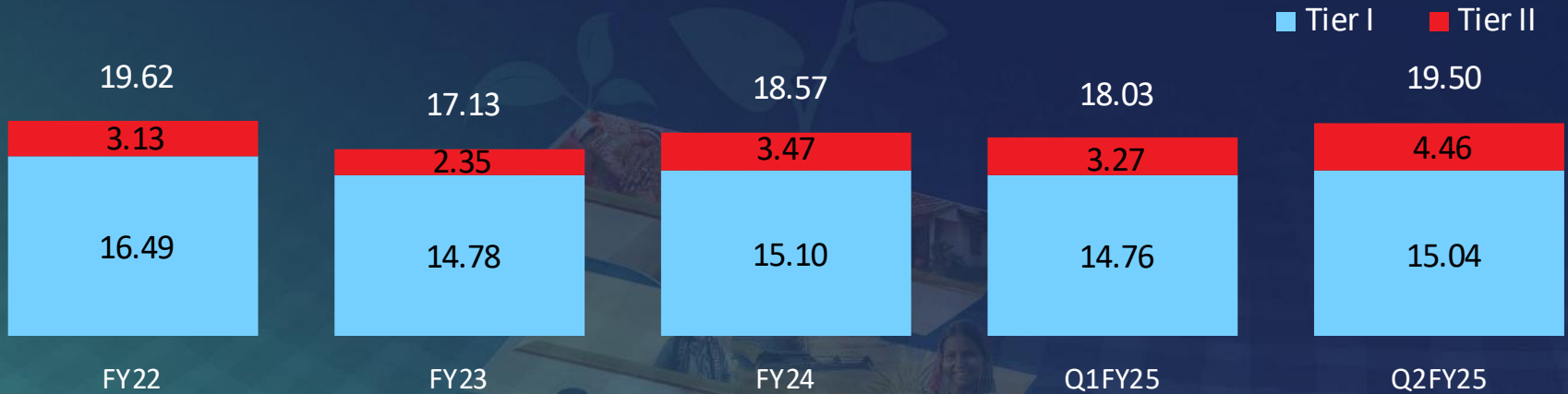


ALM Statement as of 30th Sep 2024 (As per IND AS)

(₹Cr)

ALM snapshot as on 30th Sep 2024									
Particulars	1 m	>1 to 2m	>2 to 3m	>3 to 6m	>6m to 1 yr	>1 to 3 yr	>3 to 5 yr	>5 yr	Total
Cash & Bank Balances	3,703.32	1,220.19	2,261.80	199.92	877.53	3,110.86	949.22	1,541.10	13,863.92
Advances	6,903.52	4,313.03	4,139.97	14,940.85	24,753.60	65,340.60	24,394.16	21,056.06	1,65,841.79
Trade Receivable & Others	89.68	303.51	1.43	4.00	45.58	70.09	469.13	3,162.21	4,145.63
Total Inflows (A)	10,696.52	5,836.73	6,403.20	15,144.77	25,676.71	68,521.55	25,812.51	25,759.36	1,83,851.34
Cumulative Total Inflows (B)	10,696.52	16,533.25	22,936.44	38,081.21	63,757.92	1,32,279.47	1,58,091.98	1,83,851.34	
Borrowin Repayment-Bank & Others	4,321.17	5,040.68	4,595.40	10,311.16	18,752.30	63,551.73	14,063.96	116.42	1,20,752.82
Borrowin Repayment- Market	1,994.36	304.90	1,594.99	3,874.91	2,038.70	11,497.61	9,049.23	6,540.80	36,895.49
Capital Reserves and Surplus	-	-	-	-	-	-	-	21,510.55	21,510.55
Other Outflows	3,100.69	213.52	43.73	106.58	255.87	391.40	155.66	425.01	4,692.47
Total Outflows (C)	9,416.22	5,559.10	6,234.12	14,292.65	21,046.87	75,440.74	23,268.86	28,592.78	1,83,851.34
Cumulative Total Outflows (D)	9,416.22	14,975.32	21,209.44	35,502.09	56,548.97	1,31,989.70	1,55,258.56	1,83,851.34	
E. GAP (A - C)	1,280.30	277.63	169.07	852.12	4,629.84	(6,919.19)	2,543.66	(2,833.42)	
F.Cumulative GAP (B - D)	1,280.30	1,557.93	1,727.00	2,579.12	7,208.95	289.76	2,833.42	0.00	
Cumulative GAP as % (F/D)	13.60%	10.40%	8.14%	7.26%	12.75%	0.22%	1.82%	0.00%	

Capital Adequacy Ratio (CAR) – As per RBI guideline



Minimum CAR Stipulated by RBI is 15% & for Tier I is 10%

Tier 2 includes 1.40% % of CCD which is compulsorily convertible into equity in Sep 2026.

Credit Rating

Loan type	India ratings	Care	ICRA	Crisil
ST CP/WCDL	-	-	[ICRA] A1+	[CRISIL] A1+
LT NCD/CC	IND AA + (ind) stable	CARE AA+/Stable	[ICRA] AA+/Positive	-
NCD (Public Issue)	IND AA+/ Stable	CARE AA+/Stable	[ICRA] AA+/Positive	-
Tier II SD	IND AA+/ Stable	CARE AA+/Stable	[ICRA] AA+/Positive	-
Tier I PDI	IND AA/ Stable	CARE AA /Stable	[ICRA] AA/Positive	-

Note : ICRA has reaffirmed the Ratings and Outlook upgraded to AA+ (Positive) from AA+ (Stable)

Consolidated Financials



(₹Cr)

Particulars	Q1 FY24	Q1FY25	Q2 FY24	Q2FY25	Growth % Q2-o-Q2	H1 FY24	H1 FY25	Growth % H1-o-H1
Income	4,171	5,857	4,695	6,322	35%	8,866	12,179	37%
Expenses	3,215	4,582	3,630	5,018	38%	6,845	9,600	40%
PBT	956	1,275	1,065	1,304	22%	2,021	2,579	28%
PAT	710	947	773	968	25%	1,483	1,915	29%

Risk Management



Our Enterprise Risk Management strategy comprehensively covers all aspects of risk

1 Risk vision

Risk Pillars

2

Capital &
Liquidity
risk

3

Credit
risk

4

Fraud
risk

5

Cyber &
Data
security
risk

6

Regulatory
&
Compliance
risk

7

Key
emerging
risks-
climate,
social etc.

7

Risk organization


8

Risk governance & reporting

We have integrated best-in-class practices across all key risk areas (I/II)

 Category	 Key Highlights
1 Risk vision	<ul style="list-style-type: none"> • Risk Appetite Statement implemented as a strategic lever: Strong linkage to functions with well-defined thresholds and robust governance mechanisms
2 Capital & Liquidity risk	<ul style="list-style-type: none"> • Well-diversified source of funds with judicious mix of instruments and of investor profiles • Liquidity position assessed regularly. • Strong governance for key parameters like HQLA holdings, funding lines in place
3 Credit risk	<ul style="list-style-type: none"> • Analytics based decision making embedded across credit and collections processes <ul style="list-style-type: none"> - Regular finetuning of credit policies and gating criteria basis portfolio review - Robust governance mechanism in place for regular review of all underwriting and collection models - Personalized collection treatment strategies basis Early Warning /Roll forward models • Stress testing capability deployed to refine credit & collection strategies proactively, basis macro-economic forecasts
4 Fraud risk	<ul style="list-style-type: none"> • Best-in-class preventive controls, tools & SOPs to mitigate frauds across customers, employees & third-parties • Ongoing cross-business sharing of best practices for detection and mitigation • Regular employee training and awareness campaigns on fraud detection & prevention

We have integrated best-in-class practices across all key risk areas (II/II)

 Category	 Key Highlights
5 Cyber risk	<ul style="list-style-type: none"> • Built/ deployed robust capabilities, processes and toolkits to manage growing cyber risks • Quarterly red-teaming & war gaming assessments; Regular phishing simulations & crisis management drills
6 Regulatory & compliance risk	<p>In-house team of 20+ members with collective experience of 200+ years to independently monitor regulatory compliance</p> <ul style="list-style-type: none"> • Strong performance across annual internal and external audits.
7 Risk organization	<p>Comprehensive risk organizational structure defined with focus on fortifying an active risk function</p> <ul style="list-style-type: none"> • Focus on building capabilities in managing new emerging risks • Deeper interlinkage with business, functional coverage & monitoring focus to mitigate all kinds of risks
8 Risk reporting	<p>Comprehensive risk registers for monitoring along with governance mechanism in place</p> <ul style="list-style-type: none"> • In- house team, 300+ risk matrices tracked across businesses & functions with defined frequency for circulation & monthly reviews

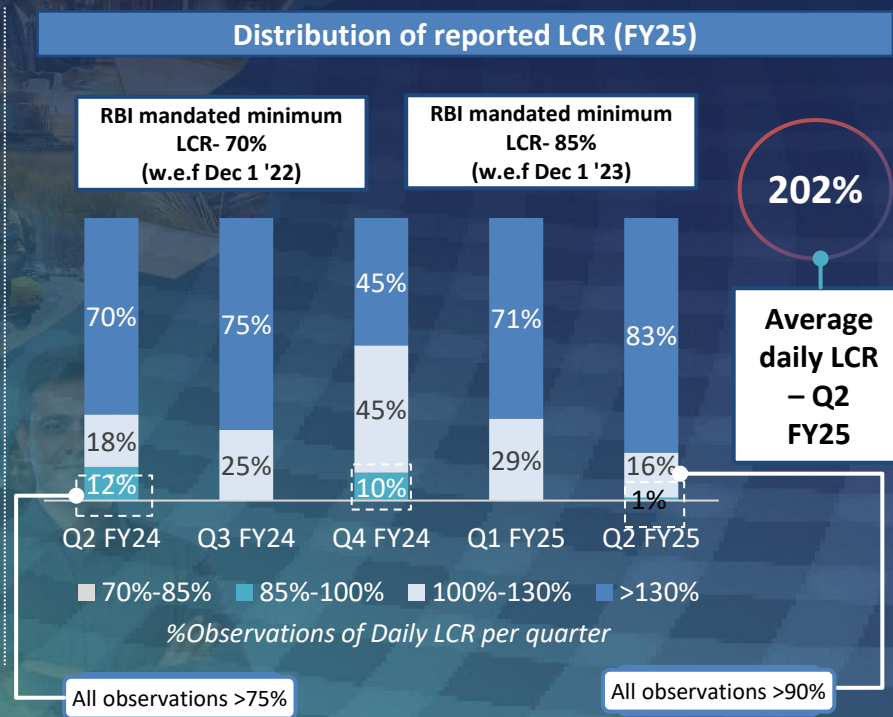
Capital & Liquidity risk | Well managed with judicious buffers maintained consistently

ALM: Stringent Internal thresholds

Liquidity: LCR reported is 2.02-2.3x of RBI mandate on average

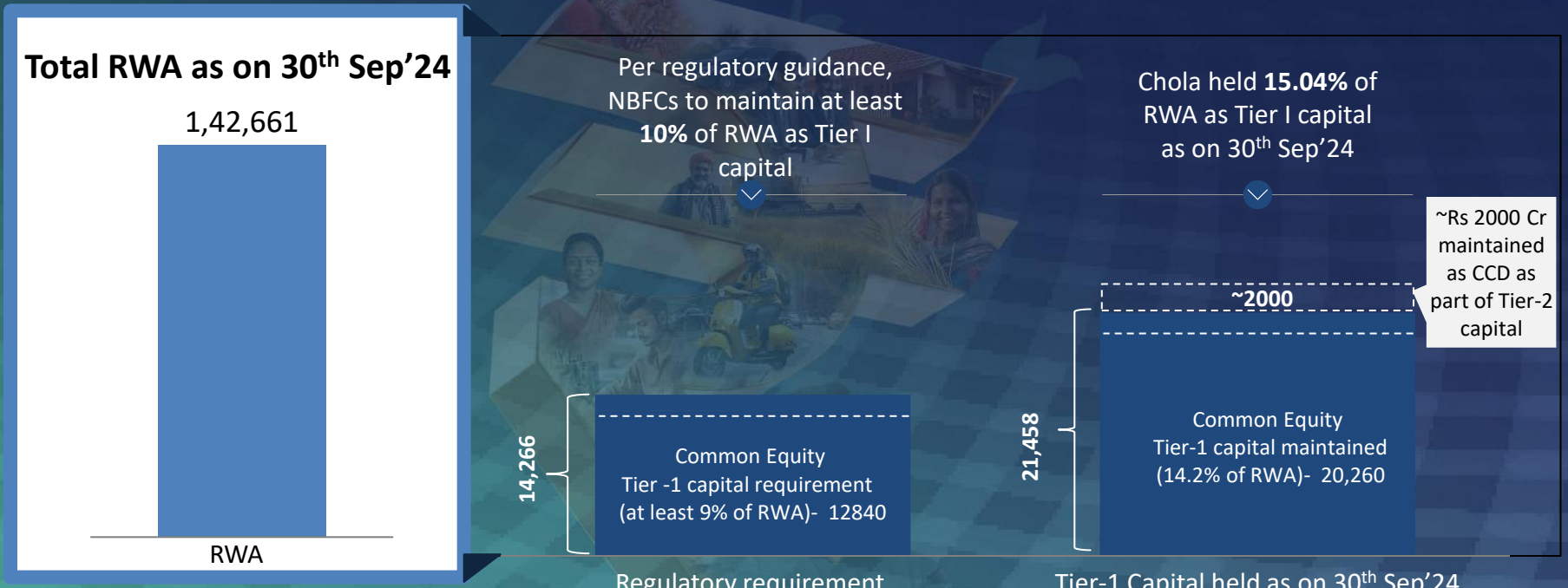
Time bucket	RBI thresholds	Chola internal thresholds
0-7 days	-10%	0%
8-14 days	-10%	0%
15-30 days/31 days	-20%	0%

- No cumulative mismatch across time buckets
- No breaches against internal threshold, demonstrating strong adherence to regulatory compliance



Capital & Liquidity risk | Sufficient Tier 1 capital

(₹Cr)

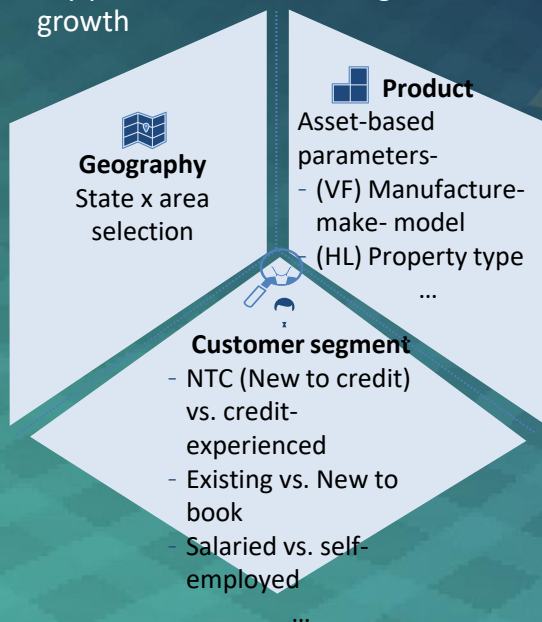


Holistic risk management for credit risk mitigation



Robust Business Decision Matrix based on key criteria

Choosing right customer mix upfront for key portfolio decisions - e.g., collections & growth



Multi-faceted underwriting process

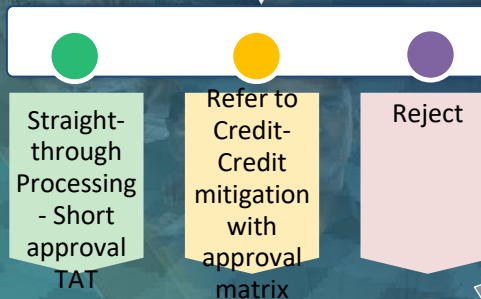
Input variables leveraged-

- Income source
- Existing loan details
- Asset type (For e.g., vehicle type for VF loan)

1100+



Data-driven model created for each product segment



Proactive portfolio monitoring at a customer level


- Rigorous non-starter/early default monitoring to manage portfolio proactively
- Predictive models and personalized treatment strategies being rolled out across businesses


Use-case	0 DPD	1-90 DPD	90+ DPD
EWS/Bounce	Bounce Prediction		
Collections		Roll-forward models Roll-back models	
		Bureau-based enrichment	
Repo			Repo & settlement models


Feedback loop to refine underwriting models


Regulatory & compliance risk | Effective governance augmented by a strong compliance function


Governance & Compliance form the core of every business and functional process

 **Strong 'Compliance- first' approach tone setting from the Board and senior management** ensures compliance across all levels till field staff

 **"Zero tolerance policy"** to any form of non-compliance

 **Stringent Code of conduct** implemented at all levels including employees, DSAs and collection agents

 **Continuous training to employees at all levels** on various regulatory requirements

 **Fair Practice Code** implemented in letter and spirit

20+ professionals with collective experience of **200+ years**



Compliance team

- Real-time tracking & efficient dissemination of all regulatory changes to senior management and other key stakeholders
- Comprehensive compliance audits conducted throughout the year by independent agencies



Centralized Corporate Legal team

- Real-time tracking of all legal notices/cases against the company
- Centralized review and approval of legal documentation for effective control and governance

Regulatory & compliance risk | Governance further strengthened by robust compliance mechanisms



Cyber risk | Regular monitoring & strong internal processes to prevent, detect & mitigate cyber risk



People

- 1 Well-equipped, adept team of security professionals to mitigate cyber risk at organizational level
- 2 Regular employee trainings & readiness exercises
 - Phishing simulations, crisis management drills, etc.



Process

- 3 Continued effort towards strengthening protocols
 - Code review process
 - Business continuity & Disaster recovery exercises
- 4 Quarterly war gaming & red teaming assessments



Tools & Technology

- 5 Continuous expansion of suite of tools to monitor threats, potential privacy breaches and improve cyber resilience-
 - User access security (SASE)
 - DevSecOps
 - Cloud container security
 - API security

50+ initiatives planned for FY25 to further strengthen cyber risk mitigation

Risk governance & reporting | Clearly defined roles & responsibilities for effective corporate governance

Organization structure setup to ensure effective governance



Well-defined tracking mechanism & review cadence

- 1 **RCSA (Risk control and self-assessment)** conducted across businesses periodically
- 2 **Multiple Board-led committees** to monitor org risk-

Name of the committee	Key risk reviewed
Risk Management Committee	Overall enterprise risk management policies & processes across each key risk area
Asset Liability Committee	Capital & liquidity position & risk
Audit Committee	Chola's compliance of policies and processes
Business Committee	Business-wise performance & key risks
IT Strategy Committee	IT & cybersecurity framework; IT disaster recovery process
Stakeholders' Relationships Committee	Reputational risk & shareholders' outlook
CSR Committee	Policies, strategies and programs related to ESG

- 3 **Comprehensive monitoring & tracking thresholds:**
 - **Risk Appetite Statement** to define organizational risk goals
 - **Risk registers defined** encompassing **300+ metrics** with strong linkages to businesses/functions

Information Technology



Chola's overall technology focus spread across all layers

Systems of Engagement



Systems of Record



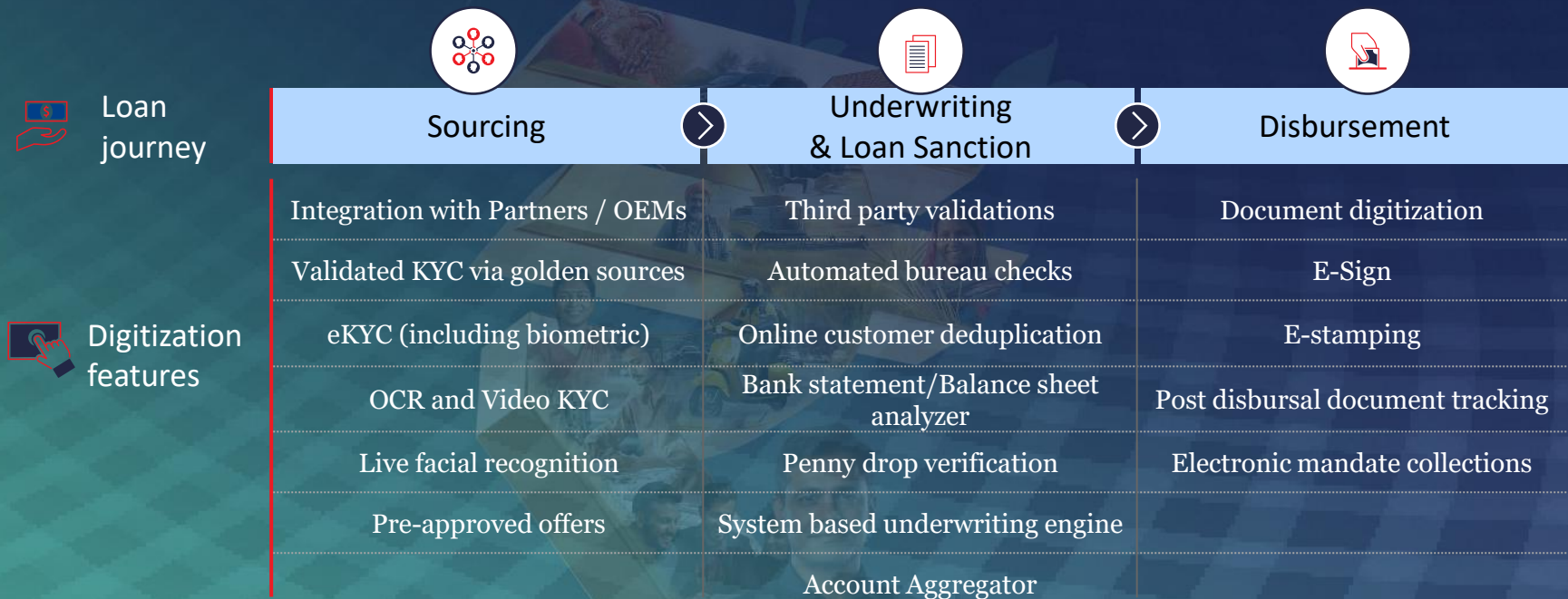
Systems of Intelligence



Other Core Areas

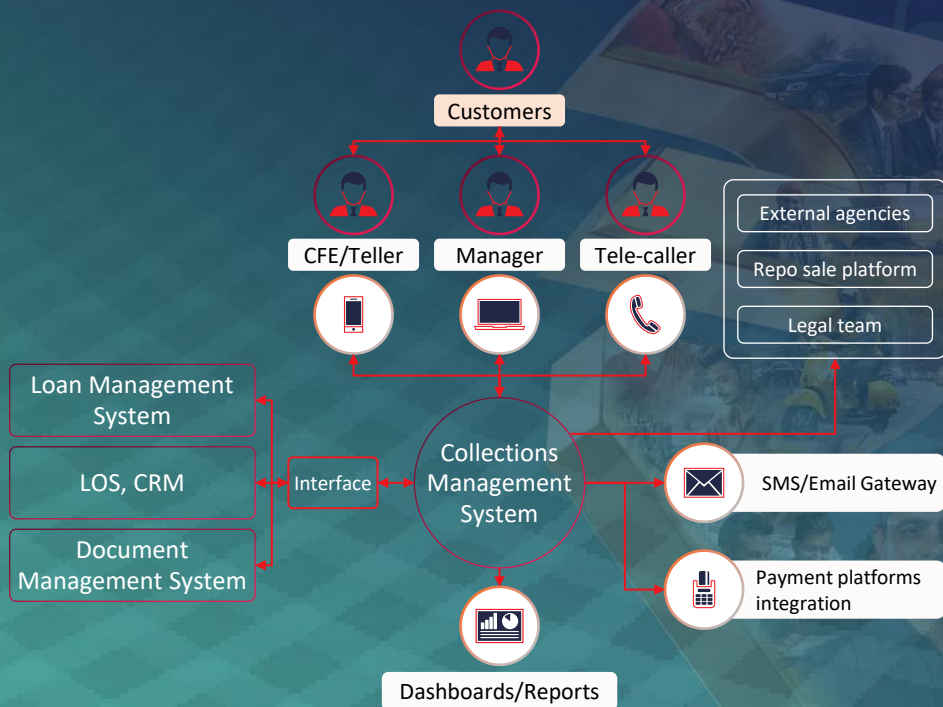


Organization-wide capabilities built for digitization of Loan Origination System (LOS)



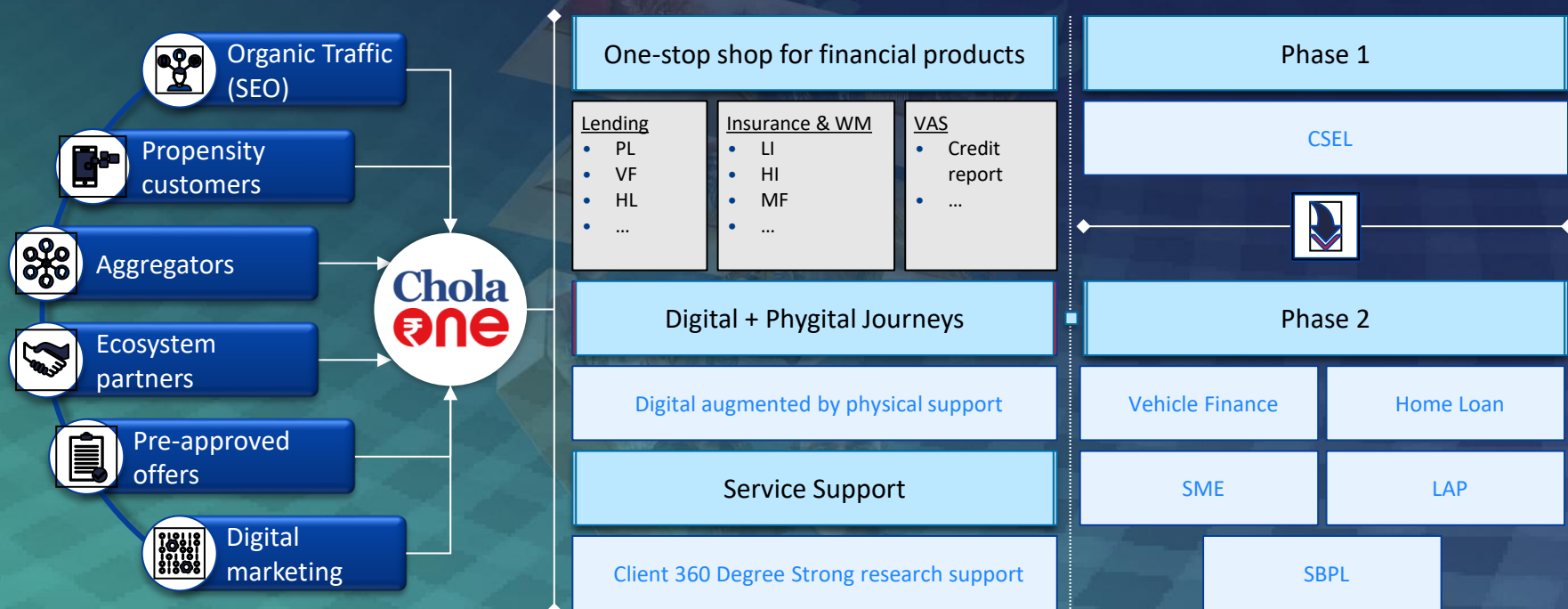
Note: Most capabilities built for all the verticals of Chola - being used wherever applicable and as per business needs

We have a comprehensive digital Collection Management System to manage end-to-end collection process

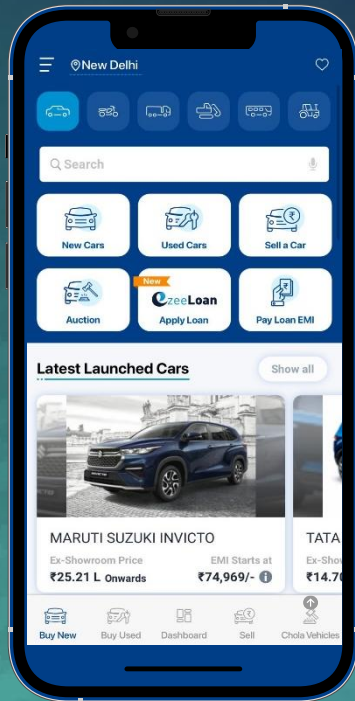


- | | |
|--|---|
| 1 Analytics Engine (EWS) | 10 Easy payment through Bitly link |
| 2 Allocation Rule Engine (Automatic allocation) | 11 Real time view of MIS/reports |
| 3 E-receipts (view/download) | 12 Integrated contact recording |
| 4 Challan-less deposit (Airtel, Spice, etc.) | 13 Integrated SMS & voice blast solution |
| 5 Single foreclosure receipting (multiple agreement-single mode) | 14 Multiple times movement of data between LMS |
| 6 All wallets & BBPS | 15 Device agnostic platform (mobile/tab/desktop) |
| 7 New receipt types to avoid manual adjustment | 16 Cloud based solution (integrated dialer, standard reports, increased productivity) |
| 8 Auto-receipting of RTGS transactions | 17 Possible to restrict payment modes |
| 9 Real time pick-up allocation | |
- Digitization & automation
 ● Analytics
 ● Technology

Chola One platform envisioned to be a super-app, a one-stop-shop for all our products, lead generation, VAS, customer service



We are building an E2E integrated ecosystem for VF



Used vehicle marketplace

- Vehicle listing for selling
- Dealer info for buying

New vehicle discovery

- Recommendations
- OEM offers & discounts

Repo vehicles sale

- Subscription fee
- Auction model
- Vehicle valuation



SEO Score¹
(out of 100)
93

Monthly Avg. Unique Users
(site traffic)
1.4M+

Page authority
(score out of 100)
33

"Used truck" search rank
(Google organic search rank)
1

Repo Subscribers
(#paid repo subscribers)
1.5K+

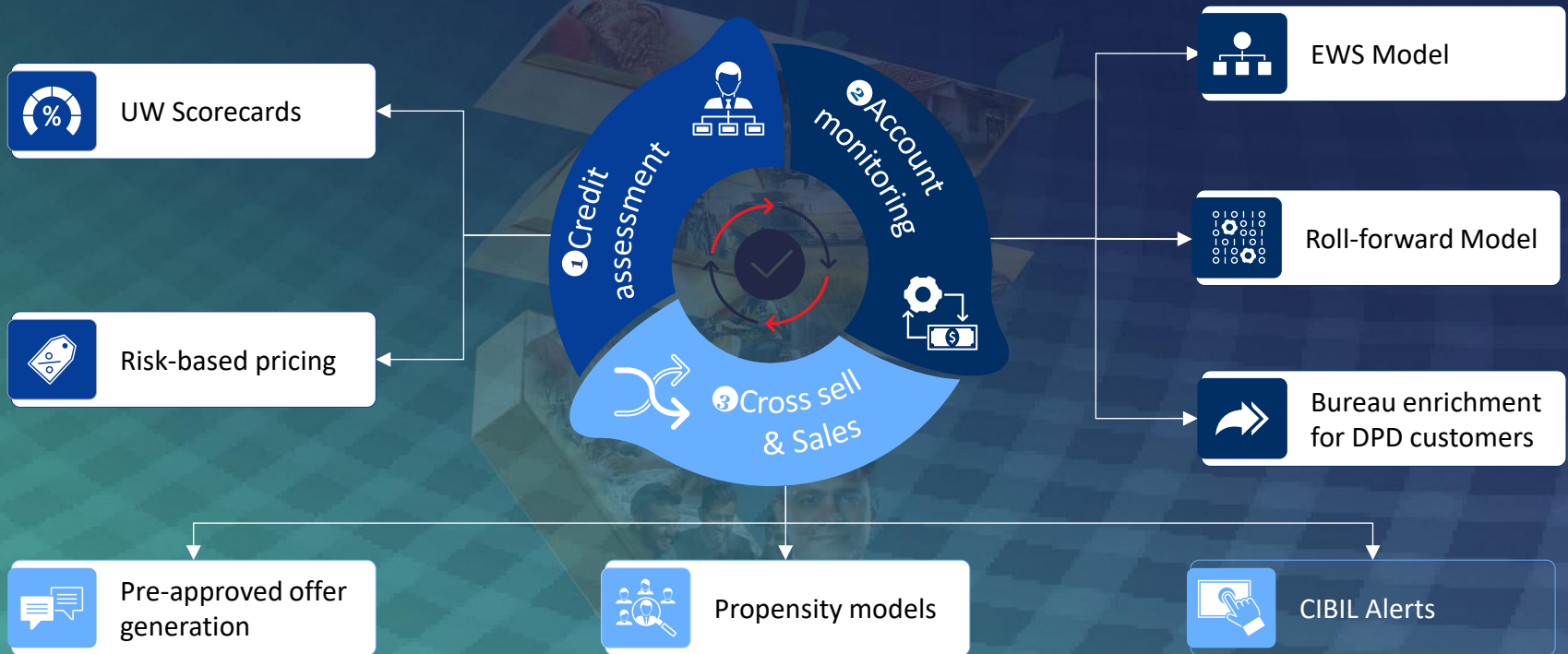
New listings
(vehicles/ month)
14K+

Vehicles sold
(per month)
3.4K+

Dealer portal
(#dealers)
2.9K+

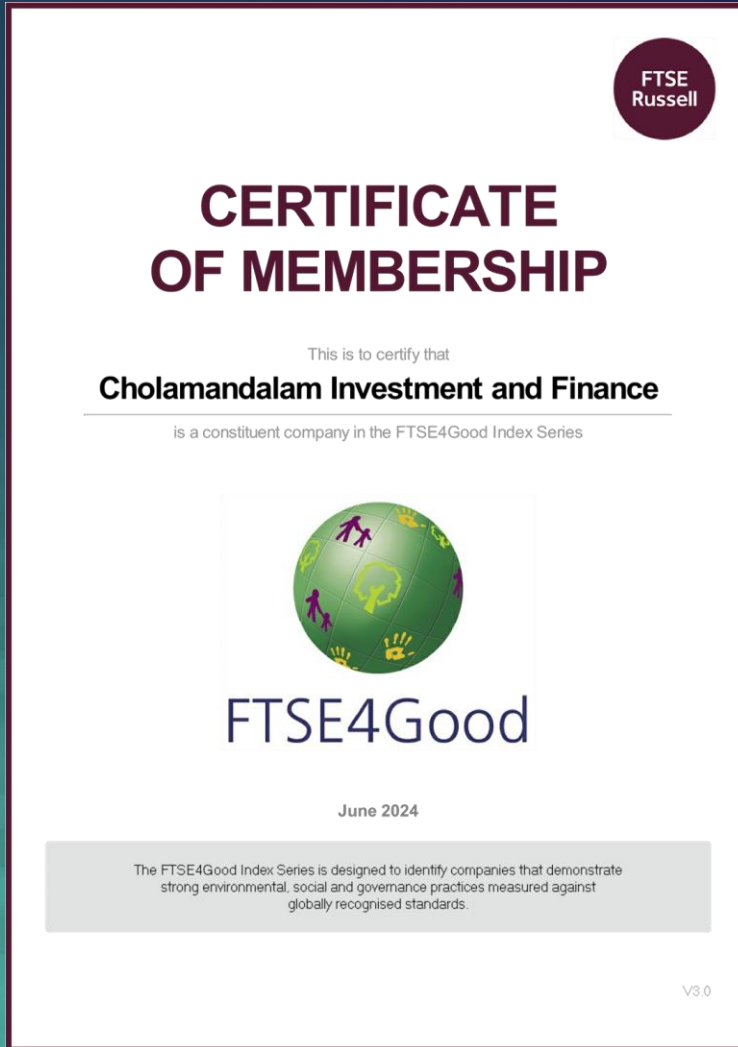
% Service requests Automated
(service requests)
99%

Our Data and Analytics team works across the entire value chain of customer journey



Environmental Social Governance





FY21

- **FTSE Russell** - Included in FTSE4 Good Index series

FY22

- **FTSE Russell** - Reaffirmed as constituent of FTSE4Good Index Series in June 2021.

FY23

- **FTSE Russell** - Reaffirmed as constituent of FTSE4Good Index Series in June 2022.
- **CRISIL ESG rating – STRONG**

FY24

- **FTSE Russell** - Reaffirmed as constituent of FTSE4Good Index Series in June 2023.

FY25

- **FTSE Russell** – Reaffirmed as constituent of FTSE4Good Index Series in June 2024.

We Believe In Making A Positive Impact In The Society



Environmental :

As an environmentally responsible company, we focus on sustainability and carbon footprint reduction.

Social:

To enable better opportunities for all, we provide financial inclusion, local employment, employee well-being and community development initiatives through CSR.

Governance:

Governance stands for transparency, regulatory compliance and maintaining brand reputation pan India.





Board – The final authority for all the major policy and sustainability reports related to ESG

CSR Committee – This Committee comprises of Chairman, an independent Director and a non-executive Director to support and advise Board on the company’s policies, strategies and programs related to ESG

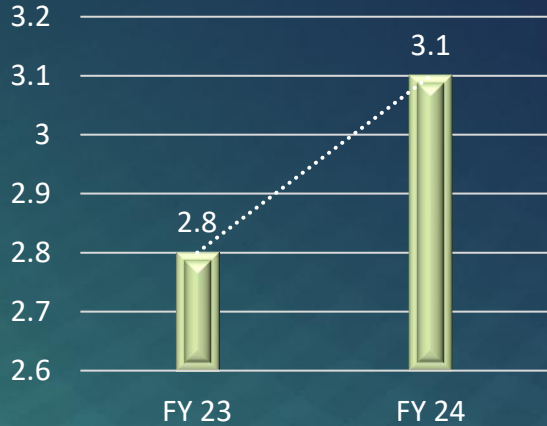
ESG Steering Committee – This Committee comprises Executive Director, CRO and key risk managers and other invitees from Businesses as may be required.

ESG Working Committee – This Committee comprises the members of the Risk Management (ERM) division and SPOCs from lines of business and functions, directly engaged into ESG related aspects to undertake implementation of the initiatives at the ground level, data obtaining, submission of reports, regulatory compliance, coordination etc.

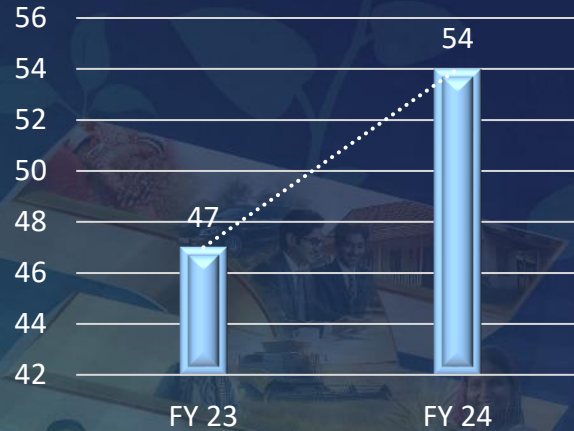
Internal working groups for effective and sustained implementation of ESG activities in the organization through *Enterprise Risk Management (ERM) division and SPOCs from lines of business and functions, directly engaged into ESG to implement initiatives at the ground level, data obtaining, submission of reports, regulatory compliance etc .*

Chola ESG Rating and Ranking

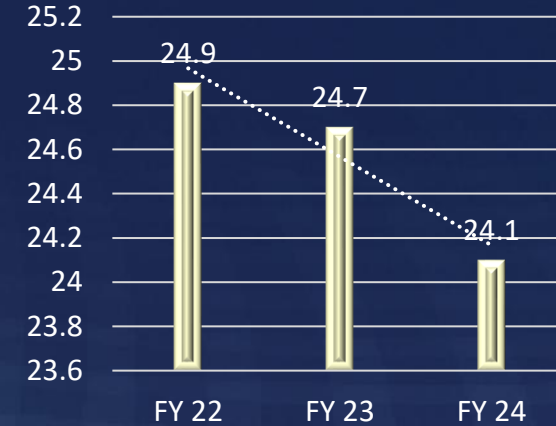
Member of FTSE4Good Index Score of 3.1
(Score/rating (0 to 5) higher score are better)



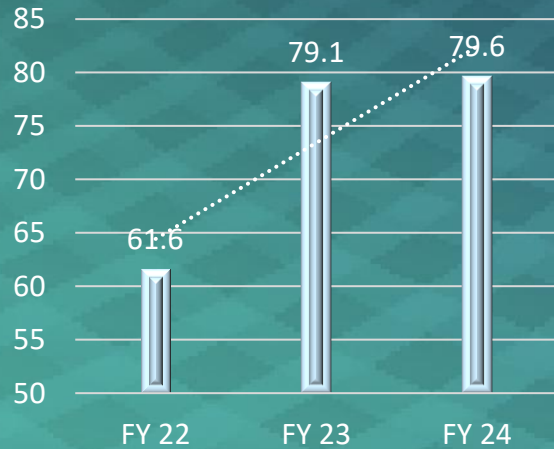
Refinitiv Rating
higher score indicates lower risks



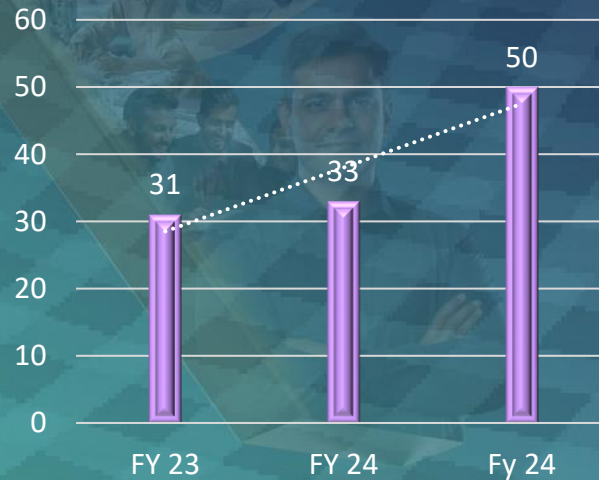
Sustainalytics
lower rank indicates lower risk



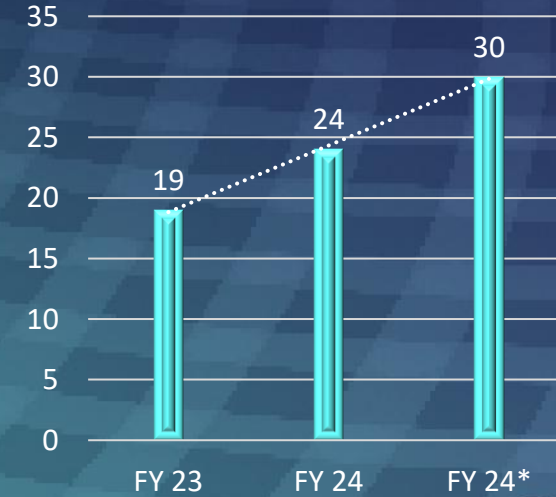
Stakeholders Empowerment Services (SES) Rating
higher score indicates lower risks *



CSRHub
higher score indicates lower risks



S & P Global
higher score indicates lower risks



Policy for **Sustainable Sourcing**. Reduced consumption of paper, sustainable sourcing of A4 sheets in Chennai HO/CPU and other locations.

- ~ **E-receipts** are issued to customers in place of physical receipts.
- ~ We procure electronics for the office based on the star rating. Our head office has sensor-based taps and lights to **reduce the carbon footprint**.
- ~ Financing **Electric Vehicles** for a green and clean future – disbursed INR 174 Cr in Q2 of FY'25.
- ~ Adoption of **SEMS** – Socially & Environmentally Managed System, part of credit policy.
- ~ All Chola branches are fitted with **water aerators**. It maintains a constant rate of water flow, and these mesh screens divide the flow of water into multiple small streams by adding air in between. **It saves water in every flow**.
- ~ There is **no hazardous waste generated** by the company.
- ~ **Digitization** including customer onboarding, credit underwriting process etc.

CSR in Chola

CIFCL is rooted towards its commitment for the social welfare. Rooted in a commitment to national development and inclusion, Chola exemplifies this ethos through its steadfast dedication to Corporate Social Responsibility (CSR) initiatives across India.

FY 2023-24









Rs 56.98 cr. spent on CSR

Themes

- Education
- Health
- Rural Development
- Art and Culture

Impact Assessment

REES – Relevance, Effectiveness, Efficiency, Sustainability and Social Impact.

 <p>Over 54 lakh lives impacted across 21 states</p>	 <p>Saving lives with funding for congenital heart surgeries</p>	 <p>Supporting Commercial Vehicle Crew Members' (CVCMs) well-being</p>	 <p>Providing drinking water and school infrastructure</p>
 <p>Scholarships spanning primary to higher education</p>	 <p>Preserving cultural heritage through historical monument conservation</p>	 <p>Prayas: Rural financial literacy program</p>	 <p>Sports support for talented athletes</p>



Socially Responsible Corporate Citizenship Program (SRCCP) – introduced 11 projects with a funding of ₹ 1 crore



Recipient of the Impactful Co-creation Award 2024 at the National CSR Summit, 'Building India 2047 – Technology for Better Tomorrow'



34 CHDs (Congenital Heart Surgeries)

48 Household connected via Solar Power



603 Players receiving training

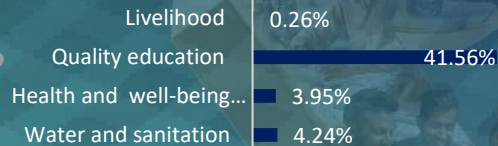
5 Female National Players.



348234

- access health care in the form of overall health

SDG ALIGNMENT



SDG ALIGNMENT



23831

Women had access to health care

2000 Farmers Impacted through Sustainable Farming

4206 Male scholarships

4231 Female Students

330 Women had access to emergency health care for a high risk pregnancy





- Livelihood skills for the marginalized section
- No. of projects-03



- Ensure healthy lives and promote well-being for all at all ages
- No. of projects- 23



- Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
- Number of projects- 14



- Training of players of blind women's football- 10
- Female Golf Players- 04



8
SDGs



- Ensure availability and sustainable management of water and sanitation for all
- No. of projects- 06



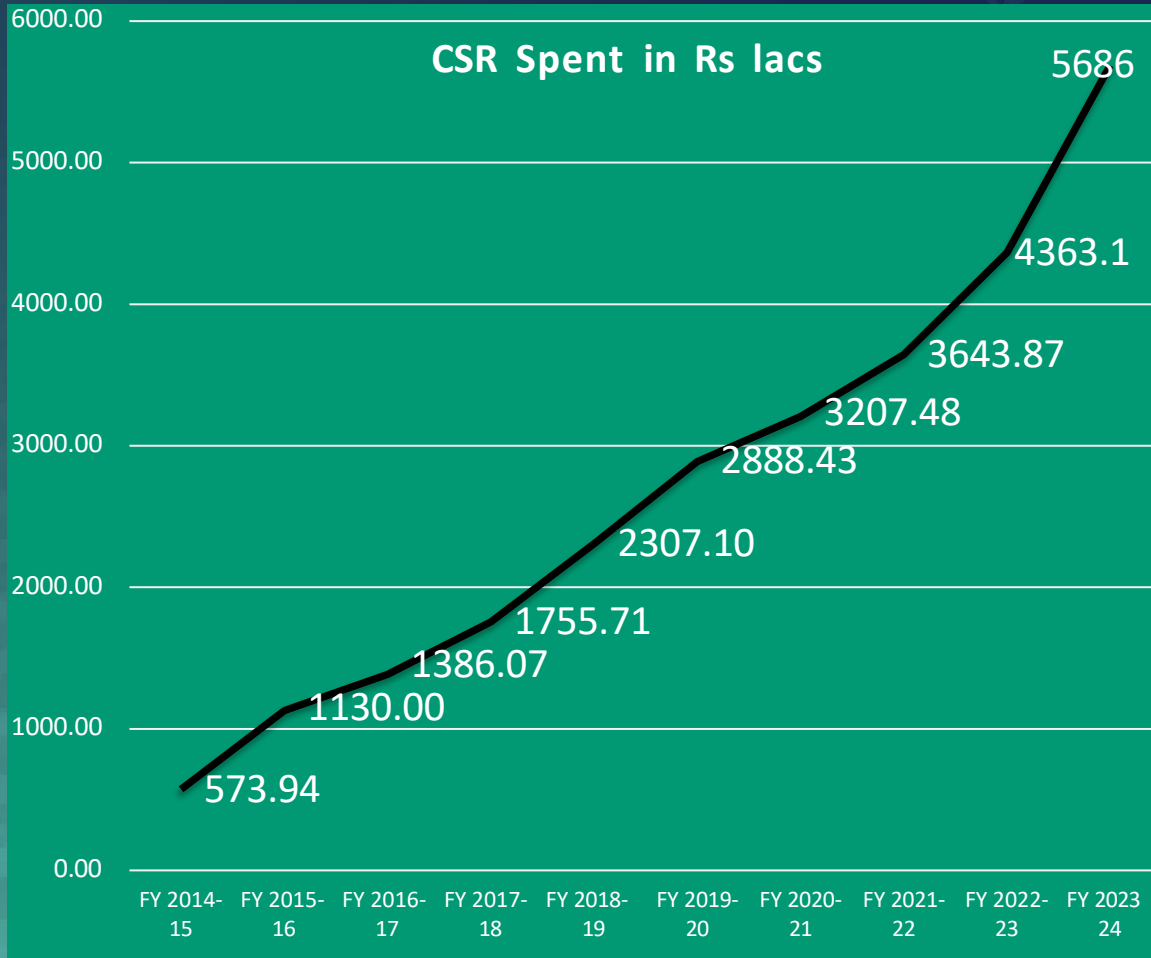
- Ensure access to affordable, reliable, sustainable and modern energy for all
- No. of projects- 08



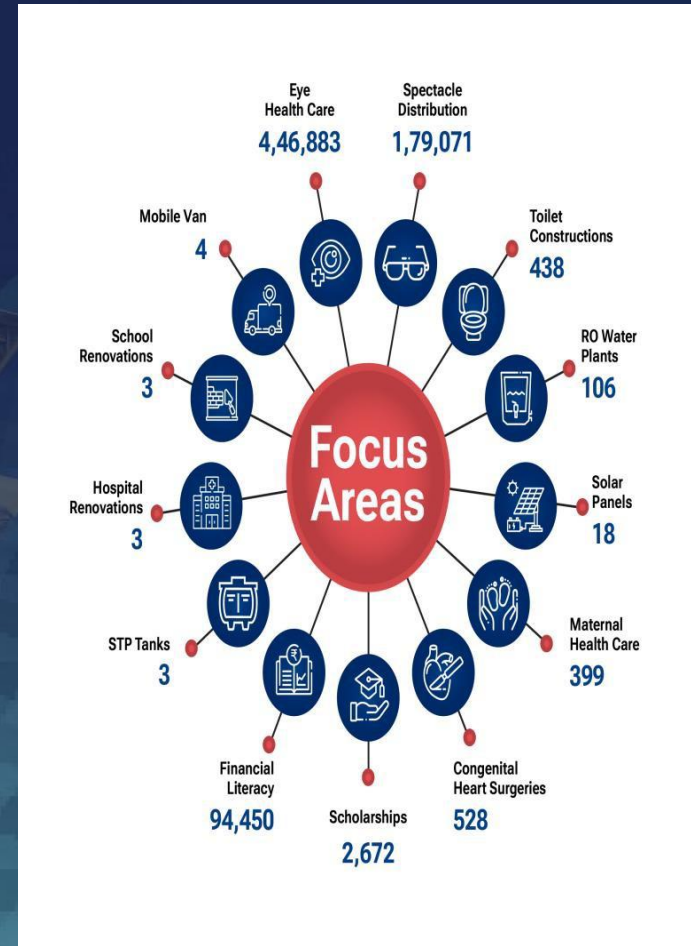
- Conserve and sustainably use the oceans, seas and marine resources for sustainable development
- No. of projects- 04



- Strengthen the means of implementation and revitalize Global Partnership for Sustainable Development-ALL 62 Projects



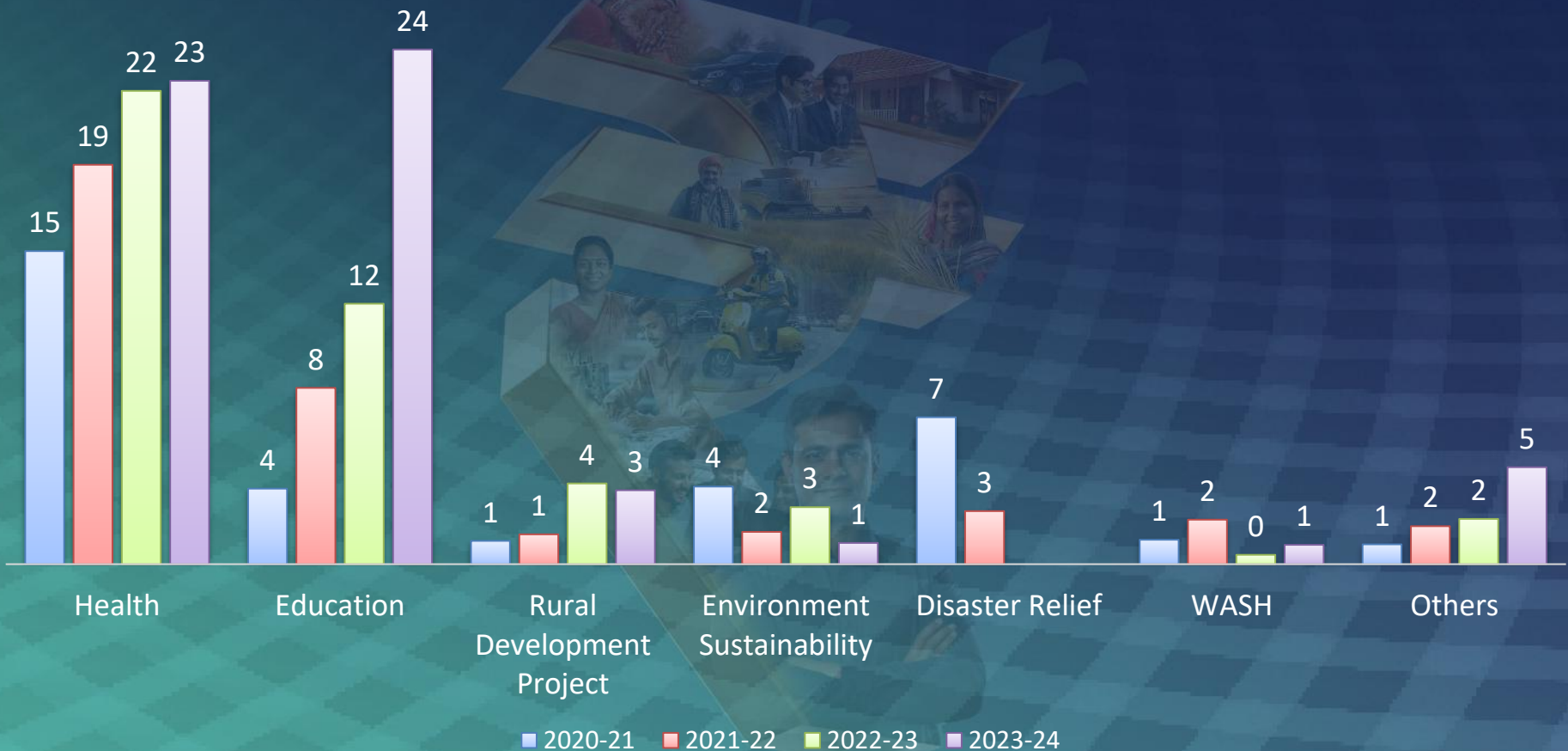
CSR Spent over ten years



Lives impacted over ten years

SOCIAL RESPONSIBILITY YEARWISE THEMATIC ALLOCATION

(₹ Cr)



- ~ **Vehicle Finance:** New to credit customers, women borrowers, low-income groups, electric vehicles, transport entrepreneurs in geographies with limited presence of banks & financiers.
- ~ **Loan Against Property:** Small business entrepreneurs for self-occupied residential property.
- ~ **Affordable Housing:** Focus on underserved customers in tier III, IV, V, VI cities ; unorganized segments; women borrowers.
- ~ **Consumer & Small Enterprise Loans :** Unsecured lending to retail customers including New To Credit (NTC) customer to support lower income segment people.
- ~ **Small & Medium Enterprise Loans:** Micro, Small and Medium Enterprises (MSME) customers, Factoring and Inventory Funding to support SME customers.
- ~ **Secured Business & Personal Loans:** Funding to the under-served self-employed non- professional customers (e.g. grocery shop, dairy owners, unskilled laborers, low salaried/cash salaried workers).
- ~ *90% of branches in Tier-III, Tier-IV, Tier V and Tier-VI towns.*

Governance Philosophy - *“The fundamental principle of economic activity is that no man you transact with will lose; then you shall not.”*

- ~ Adhere to corporate governance standards beyond the letter of law;
- ~ Maintain high degree of transparency and disclosures;
- ~ Maintain a clear distinction between personal interest and corporate interest;
- ~ Have a transparent corporate structure driven by business needs; and
- ~ Ensure compliance with applicable laws

Governance Policy

- ~ Code of Conduct and Ethics Policy. Whistle Blower Policy.
- ~ Risk Management Policy.
- ~ Policy on Related Party Transactions.
- ~ Policy for Prevention of Sexual Harassment in line with POSH Act.
- ~ Compensation Policy/Remuneration Policy.
- ~ IT Strategy & policy.
- ~ Business Responsibility Policy.
- ~ Code of Conduct for Directors and Senior Management. Policy on Board Diversity.
- ~ Equal Opportunity policy as per the Rights of Persons with Disabilities Act, 2016.
- ~ Recruitment Policy (*no child labour/no discrimination*).
- ~ Grievance Redressal.
- ~ Business Continuity Policy.

Our registered office

Cholamandalam Investment and Finance Company Limited (Chola),
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Toll free number: 1800-200-4565 (9 AM to 7 PM)

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